

# The NATIONAL UNDERWRITER



## Service as Wide as the Map

Tell your automobile insurance prospects that, when trouble comes, Standard of Detroit, with its practice of prompt, fair settlements, can take care of them in every state in the Union, in Canada, or even in Mexico, if desired.

Standard, strong and experienced, has had 55 years of enterprising management. Today, with its coast-to-coast organization of field men, underwriters, claim adjusters,

safety engineers, payroll auditors; and its timely production aids, this progressive institution provides *modern, profitable co-operation in writing automobile insurance, as well as all Casualty and Bond lines.*

And Standard Accident's forceful, national advertising is building a better appreciation of the importance of the insurance agent to his community.

**STANDARD ACCIDENT INSURANCE COMPANY**

Standard Service Satisfies . . . Since 1884

THURSDAY, MARCH 9, 1939

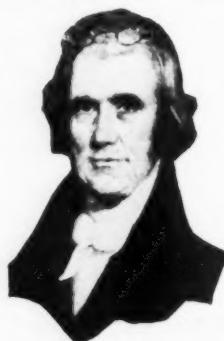


## The Mansion on Shockhoe Hill

In a lovely garden on Shockhoe Hill, in the City of Richmond, Virginia, a tall, gaunt man frequently pitched quoits with a group of his friends. This was the man, John Marshall, who was born in the county of Fauquier, Virginia, on September 24, 1755, and in middle life became Chief Justice of the United States Supreme Court.

He had served as Captain in the Continental Army and also as Deputy Judge-Advocate, and saw active service at Brandywine, Germantown, and Monmouth.

John Marshall's favorite sport was quoits and when in Richmond he seldom missed any of the famous Quoit Club barbecues at Buchanan's Spring. At these gatherings he relaxed, and songs and story-telling were the pastimes into which he whole-heartedly entered. On one occasion he attended the meeting of a quoit club in a Philadelphia tavern, where members and guests were called upon to speak in rhyme, extemporaneously. Noticing



John Marshall

several Kentucky Colonels standing at the bar, John Marshall remarked:

*"In the Blue Grass region, a 'paradox' was born, The corn was full of kernels and the 'Colonels' full of corn."*

The garden mentioned above has long since vanished, but John Marshall's house still stands. It was built in 1795 and with its massive brick walls and lofty, spacious rooms, is a simple but commodious example of Colonial architecture.

In order to preserve it as a permanent memorial, the General Assembly chartered the John Marshall Memorial Association, organized to keep it in its original form, as a depository for furniture, books, portraits, manuscripts, and other belongings connected with the life of the great jurist.

★ ★ ★

*The Home, through its agents and brokers, is America's leading insurance protector of American Homes and the Homes of American Industry.*

*The HOME INSURANCE COMPANY  
NEW YORK*

You are invited



*to examine our BLUE BOOK*



That's what our agents call our SALES AND SERVICE MANUAL.

In use from day to day are its one hundred and ninety-odd pages of classified premium-building information—explanations of special coverages, sales and underwriting pointers, illustrated listings of pertinent advertising helps.

It is one of the reasons why progressive agents say that to represent a Company of the Royal-Liverpool Groups means increased production.

We'll gladly ask our fieldman to show you his copy if you'll address

**ROYAL-LIVERPOOL GROUPS**  
ONE HUNDRED FIFTY WILLIAM STREET, NEW YORK, N. Y.

AMERICAN & FOREIGN INSURANCE COMPANY • BRITISH & FOREIGN MARINE INSURANCE COMPANY, LTD. • CAPITAL FIRE INSURANCE COMPANY OF CALIFORNIA • THE LIVERPOOL & LONDON & GLOBE INSURANCE CO. LTD. • THAMES & MERSEY MARINE INSURANCE COMPANY, LTD. • QUEEN INSURANCE COMPANY OF AMERICA • THE NEWARK FIRE INSURANCE COMPANY • FEDERAL UNION INSURANCE COMPANY • ROYAL INSURANCE COMPANY, LTD. • THE SEABOARD INSURANCE COMPANY • STAR INSURANCE COMPANY OF AMERICA

THE  
**Crum and Forster**  
 GROUP

FINANCIAL STATEMENT AS OF DECEMBER 31, 1938

ASSETS

	UNITED STATES FIRE INS. CO.	NORTH RIVER INS. CO.	WESTCHESTER FIRE INS. CO.	ALLEMANNIA FIRE INS. CO.	RICHMOND INS. CO.	U. S. BRANCH WESTERN ASSURANCE	U. S. BRANCH BRITISH AMERICA	SOUTHERN FIRE INS. CO.
Cash in Banks & Trust Companies	\$ 3,380,872	\$ 2,342,321	\$ 2,192,227	\$ 457,378	\$ 419,861	\$ 455,749	\$ 291,923	\$ 175,540
United States Government Bonds	8,621,071	6,349,378	3,748,615	1,228,522	1,333,815	1,351,059	664,324	410,119
Other Bonds and Stocks	18,927,258	13,223,790	10,199,622	1,860,858	2,396,432	2,331,341	1,761,458	880,157
Mortgage Loans on Real Estate	262,626	172,098	277,750	972,267	293,434	.....	.....	27,829
Real Estate	467,190	114,740	76,012	†739,348	†171,624	.....	.....	74,871
Premiums in Course of Collection (Not over 90 days)	1,152,397	636,987	712,499	160,101	146,962	168,323	78,174	60,115
Bills Receivable, Not Due	182,563	85,462	133,652	.....	.....	.....	.....	.....
Interest Accrued	83,666	50,760	64,630	20,204	9,093	25,874	12,346	9,191
Other Assets	31,737	11,295	22,665	3,147	.....	4,740	170	8,690
<b>Total Admitted Assets**</b>	<b>\$33,109,380</b>	<b>\$22,986,831</b>	<b>\$17,427,672</b>	<b>\$5,441,825</b>	<b>\$4,771,221</b>	<b>\$4,337,086</b>	<b>\$2,808,395</b>	<b>\$1,646,512</b>

LIABILITIES

Reserve for Unearned Premiums	\$ 9,831,793	\$ 5,831,894	\$ 5,492,963	\$ 1,492,496	\$ 1,180,321	\$ 1,192,195	\$ 668,232	\$ 431,240
Reserve for Losses in Adjustment	1,537,728	919,298	1,148,756	198,346	142,600	285,838	95,564	64,276
Other Liabilities	691,431	383,365	576,066	131,650	136,000	132,967	47,134	49,628
Mortgage Reserve	75,000	50,000	35,000	50,000	50,000	.....	.....	.....
Capital	2,000,000	2,000,000	1,000,000	1,200,000	1,000,000	\$400,000	\$200,000	200,000
Net Surplus**	18,973,428	13,802,274	9,174,887	2,369,333	2,262,300	2,326,086	1,797,465	901,368
Surplus to Policyholders	20,973,428	15,802,274	10,174,887	3,569,333	3,262,300	2,726,086	1,997,465	1,101,368
<b>Total Liabilities</b>	<b>\$33,109,380</b>	<b>\$22,986,831</b>	<b>\$17,427,672</b>	<b>\$5,441,825</b>	<b>\$4,771,221</b>	<b>\$4,337,086</b>	<b>\$2,808,395</b>	<b>\$1,646,512</b>

\*Securities in statements include amounts deposited with various states, as required by law, in the following amounts: United States Fire, \$3,182,589; North River, \$2,316,256; Westchester \$1,501,149; Allemania, \$258,469; Richmond, \$563,948; Western Assurance, \$604,223; British America, \$398,418; Southern Fire, \$261,602;—of these amounts, the following par value amounts of U. S. Government Bonds are held by the Superintendent of Insurance of New York under Sections 130-1-2 of the New York Insurance Law as Special Reserve Funds: United States Fire, \$2,500,000; North River, \$2,000,000; Westchester, \$1,000,000; Richmond, \$500,000.

\*\*On the basis of Dec. 31, 1938. Market quotations for all Stocks and Bonds, the Total Admitted Assets and Surplus would be increased by the following amounts: United States Fire, \$604,390; North River, \$453,147; Westchester, \$203,964; Allemania, \$26,427; Richmond, \$53,881; Western Assurance, \$52,861; British America, \$38,711; Southern Fire, \$56,626.

†Including Home Office Building.

§Statutory Deposit.

**CRUM AND FORSTER, Managers**

110 WILLIAMS STREET, NEW YORK CITY

WESTERN DEPARTMENT SOUTHERN DEPARTMENT CAROLINAS DEPARTMENT PACIFIC DEPARTMENT ALLEGHENY DEPARTMENT  
FREEPORT, ILLINOIS ATLANTA, GEORGIA DURHAM, NORTH CAROLINA SAN FRANCISCO, CALIFORNIA PITTSBURGH, PENNSYLVANIA

Forty-third Year—No. 10

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, MARCH 9, 1939

\$4.00 Per Year, 20 Cents a Copy

## Changes Made for Western Business of the Security

Manager Williams and  
Assistant Manager Craw-  
ford Will Retire, May 1

On May 1 the two ranking officers in the western department of the Security of New Haven at Rockford, Ill., will retire from office. The recording agency business will from that date report to the head office. Walter D. Williams, who has been manager at Rockford since 1910, subsequently being made vice-president of the Security group and later its president, is obliged to retire on account of ill health. When Victor Roth, the president, became disabled so that he could not attend to business the chief executive responsibility was placed on Mr. Williams' hands. He became president and also retained the management of the western department. This meant a trip back and forth every week as he spent one week at the head office and one at Rockford. He will continue as a director of the Security, East & West and the Connecticut Indemnity.

E. K. Crawford, assistant manager, who has been with the department since its establishment as an independent office in 1907, has reached the retirement age and will close down his desk at the same time that Mr. Williams leaves.

### Recording Business to the East

The officials and directors have been making a careful study of the operations in the western department. They found that in the present methods there is a certain duplication of work with attendant expense. They feel that in a sense this can be eliminated. Therefore, the recording agency business will be handled direct from the home office. The subagency business and the local Rockford business, which amounts to \$100,000 a year in premiums, will continue to report to the Rockford office. The farm business will continue to be handled from Rockford.

J. J. Hubbell of Detroit, state agent for Michigan, goes to the head office as western general agent, his appointment being received by the field staff with enthusiasm. E. T. Tanner, executive assistant at the Rockford office, continues in that capacity, with administrative duties having immediate charge of production and field supervision. Sumner Miller, assistant manager, looks after the Rockford local business and nonrecording automobile and will continue in that capacity.

### W. D. Williams' Career

Mr. Williams has had a broad experience in insurance, has taken an active part not only in the work of his own company but in the organization. He

(CONTINUED ON PAGE 44)

## Totals Given for Main Features of '38 Operations

### STOCK FIRE COMPANIES

From the 1939 Argus Fire Charts published by The National Underwriter (American and Foreign Stock Companies—Direct Writing, Reinsurance and Full Coverage Automobile)

	1938	1937	1936
Admitted Assets	\$2,443,761,024	\$2,324,245,417	\$2,528,472,896
Liabilities	984,399,175	986,968,485	960,088,910
Capital	334,244,958	332,073,393	325,308,286
Surplus less Capital	1,124,116,891	1,010,954,474	1,243,104,701
Surplus to Policyholders	1,458,361,849	1,343,027,867	1,568,412,987
Premiums Earned	792,291,193	776,412,503	720,183,386
Losses Incurred including Adjusting Expenses	383,693,626	360,433,213	329,697,487
Underwriting Expenses Incurred	374,978,149	381,783,121	355,745,192
Ratio of Losses Incurred to Premiums Earned	48.4%	46.4%	45.8%
Ratio of Underwriting Expenses Incurred to Premiums Earned	47.3%	49.2%	49.4%
Net Gain from Underwriting and Profit and Loss Items	43,955,680	35,139,165	35,367,574
Net Gain from Investments	165,212,039	—229,243,645	272,367,574
Net Increase in Surplus	111,403,506	—232,298,080	202,221,748

### MUTUAL FIRE COMPANIES

(Excluding Factory Mutuals and Local Farm Mutuals)

	1938	1937	1936
Admitted Assets	\$328,479,989	\$305,232,034	\$279,678,299
Liabilities	149,931,378	137,402,716	116,531,467
Surplus to Policyholders	178,548,611	167,829,318	163,146,832
Net Premiums Written	149,103,334	145,653,414	120,634,281
Losses Paid Including Adjusting Expenses	64,310,219	61,619,352	49,896,661
Ratio of Losses Paid to Net Premiums Written	43.1%	42.3%	41.4%
Premiums Earned	140,560,580	133,734,382	118,782,666
Losses Incurred Including Adjusting Expenses	65,485,142	63,465,964	55,298,593
Ratio of Losses Incurred to Premiums Earned	46.6%	47.5%	46.6%

### Elect A. R. Hanners Head of N.Y. Fire Insurance Exchange

NEW YORK—A. R. Hanners, manager metropolitan department Commercial Union, was elected president of the New York Fire Insurance Exchange at its annual meeting. George F. Kern of Fuller & Kern is vice-president and Harold M. Hess was reelected secretary.

### Hotchkiss and Beha Renamed

NEW YORK—Former Superintendents W. H. Hotchkiss and J. A. Beha have been reappointed members of the insurance board in the New York department.

### C. C. Abrams in N. Y. State

NEW YORK—C. C. Abrams, newly appointed special agent in New York state for Republic of Dallas, has had considerable underwriting experience both in office and field. He traveled both New York and Connecticut for several years.

### Northeastern Now Official Title

Stockholders of Rossia have acted favorably on the proposal to change the name to Northeastern.

### J. D. Taylor Phoenix Treasurer

J. D. Taylor has been elected treasurer of Phoenix of Hartford, filling the vacancy caused by the death of S. T.

Mitchell. He has been with Phoenix since 1936, previously having been in the banking business in Cleveland and Hartford.

### Philadelphia Meeting

The Underwriters Club of Philadelphia will hold its March meeting next Monday. R. B. Cameron, aviation underwriter from the Associated Aviation Underwriters, will give a talk. He will touch on the problem of aviation risk underwriting.

### Dunk Your Cigarette Club Is Organized

A novel fire prevention idea has been developed by H. R. Bronkema, chairman of the fire prevention committee of the Grand Rapids Association of Insurance Agents, in the organization of the American Dunk Your Cigarette Club. Equipment consists of a small cup containing one-quarter inch of water, which is placed near one's ash tray, which provides a convenient place to touch the tip of a discarded lighted cigarette, as well as the message, "Dunk Your Cigarette," and also a life membership card in the club. Membership, including paraphernalia, costs a dime.

## Argus Fire Chart Is Off the Press at End of the Week

The National Underwriter  
Compilation Department  
Breaks Record for Speed

Another speed record was broken this year on "Argus Fire Charts" by the compilation department of THE NATIONAL UNDERWRITER Company at Cincinnati. First deliveries of the 1939 edition of this famous chart will be made this week-end, clipping off another day from all previous records. When it is considered that company statements are not due until March 1, and more than half of the figures are received after Feb. 28, and that they have to be checked, innumerable ratios calculated, new averages for 10 years computed, and the whole put in type, plated, printed, bound and shipped, the achievement is remarkable.

### Teletype Used This Year

This year teletype machines were installed at the New York, Cincinnati and Indianapolis offices, not only for speed, but for accuracy. In previous years not only the telegraph, but the long distance telephone was used. This year the teletype took the place of the long distance telephone.

An example of what a well organized department can do under pressure is seen in the case of a Kansas and a Rhode Island company. On Monday morning the figures of these two companies were missing from a certain "form" or group of pages for the press. By Tuesday noon their figures had been obtained at the Cincinnati office, checked, the ratios calculated, figures transmitted to Indianapolis, all put in type, plated and were running on the press.

### Data on All Companies

The "Argus Fire Chart" gives the principal financial data on all companies, both as to assets and liabilities on Dec. 31 and on transactions during the year. The columns show admitted assets, unearned premium reserves, total liabilities except capital, surplus to policyholders, and surplus less capital, for stock companies. On transactions the showings include net premiums written, premiums plus interest and rents, losses paid including adjustment expenses, dividends paid, underwriting expenses paid, premiums earned, losses incurred including adjustment expenses, underwriting expenses incurred, and several ratios. The ratios show losses paid and incurred to premiums written and underwriting expenses paid and incurred to premiums written, with a final ratio of losses incurred to premiums earned.

Thus, every vital phase of all companies is available to the insurance

(CONTINUED ON PAGE 44)

## Meeting Nonstock Competition Theme of Convention

### Minnesota Association of Insurance Agents Holds Midyear Rally

MINNEAPOLIS—Capital stock insurance and the American agency system can compete successfully with other types of insurance if stock company representatives tackle the problem from the proper angle. This was the message brought to 350 agents who gathered for the mid-year conference of the Minnesota Association of Insurance Agents.

"We need not damn our competitors to maintain our position," said Dean Perry, state agent Fire Association, in leading a round table discussion on "Competitive Values." "There is no reason why we should not have a more receptive attitude from insurance buyers. We should adopt the attitude of supporting other profit enterprises and we should be proud to be identified with capital stock insurance."

Mr. Perry reviewed the growth of the cooperative movement, which as its ultimate goal seeks to eliminate the retailer, distributor, manufacturer and eventually to take over the sources of raw wealth. "I do not think the consumer cooperatives necessarily threaten our economic system if we will combat them intelligently," he said.

#### Rolien Gives His Experience

G. E. Rolien, agent at Milaca, Minn., cited instances how he had successfully met non stock competition in his rural district. He drew applause when he told how he had won a large premium from a local contractor whose major business was repairing and rebuilding farm properties insured in mutuals. Service is the life blood of the local agent's existence, he said.

"The agency system is best equipped to provide this service which the insured needs," said Mr. Rolien. Using the letters in the word "service" to stress his point, the speaker said that the term should cover: Selectivity, Engineering, Reliability or Reciprocity, Vigilance, Intelligence, Care and Caution, Effort and Efficiency.

#### Stock Fire Premiums Increase

He cited figures showing how this program had reduced the volume of non stock business in his community from 30 percent in 1931 to 20 percent plus in 1937, while in the state as a whole non stock fire premiums had increased from 16 percent in 1931 to 22 percent plus in 1937.

"The local insurance business can be held by the local agent if the problem is forcibly attacked," said Mr. Rolien. "Our service should put us in an enviable competitive position. Why not in 1939 sell capital stock insurance and forget our competitors?"

"I have yet to meet the mutual man whom I cannot convince that I have more to offer than he," said Frank Beazley of the Minneapolis office of the Phoenix of Hartford. He cited cases where he had out-smarted mutual companies after they had practically sewed up desirable business.

The American people want work in private industry and are going to get it, declared E. M. Allen, executive vice-president of the National Surety.

"Insurance agents, nation-wide, should initiate and lead patriotic movements to support and perpetuate the middleman

(CONTINUED ON LAST PAGE)

## Reinsurance Transactions of Big Companies Shown

NEW YORK—Reinsurance transactions of \$25,000 or more for 25 of the larger fire companies are shown below, the figures being taken from statements filed with the New York department. Companies doing exclusively a reinsurance business in this country are shown in capital letters. Figures are given to the nearest thousand (000's omitted), except for totals, which are shown in full for reinsurance with authorized reinsurers and those not licensed in New York. The figures represent reinsurance premiums in force at Dec. 31, 1938, not reinsurance premiums ceded during the year.

**Aetna Fire**—Am., 33; Auto., 44; Boston, 38; Coml. Un., Eng., 29; Cont., 35; Fire, Fund, 82; Gr. Am., 54; Hfd., 77; Home, 70; N. A., 82; Natl., 50; N. B. & M., 46; Nor. Un., 28; Phnx., Conn., 57; Piedmont, 28; PILOT, 79; Royal, 56; St. Paul, 29; Security, Conn., 121; Sentinel, 46; Spfd., 55; World, 335; London Lloyds, 313. Total in auth. reins., \$2,182,595; total in unauth., \$345,639.

\* \* \*

**American**—Aet., 27; Am. Eagle, 39; Columbus, Ohio, 992; Cont., 82; Dixie, 532; Fed., 108; Fid.-Phnx., 77; Fire Assn., 316; Firemen's, 411; Glens Falls, 88; Hanover, 82; Home, 309; N. A., 368; INTL., 55; Nat., 262; REINS. CORP. OF N. Y., 32; Rock, Am., 61; Royal, 38; SWISS RE., 462; Westches., 27; York, 25; Am. Re. Ex., 383; Re. Cl. Hse., 1,203; Foreign Cos., 199. Total in auth. reins., \$6,584,405; total in unauth., \$204,288.

\* \* \*

**Automobile**—Aet., 58; AM. RES., 62; Boston, 27; Cont., 573; Fed., 53; Fid.-Phnx., 504; Hfd., 288; Home, 43; N. A., 46; NO. STAR, 54; Royal, 26; Std., Conn., 1,145; Lloyds, N. Y., 31; Lond. Unds., 126. Total in auth. reins., \$3,379,258; total in unauth., \$128,363.

\* \* \*

**Continental**—Aet., 77; Agric., 43; Am., 44; Am. Eagle, 36; Auto., 47; Boston, 27; Camden, 26; Coml. Un., Eng., 80; Eagle Star, 26; Fed., 28; Fid.-Phnx., 612; Fire, Fund, 70; First Am., 96; Glens Falls, 141; Gr. Am., 59; Hfd., 112; Home, 114; N. A., 137; L. & G., 31; Lond. & Lanc., 52; Nat., 72; Nat. Lib., 48; N. Y. Und., 27; Niag., 229; N. B. & M., 63; No. River, 28; Phnx., Conn., 40; Royal, 122; St. Paul, 37; Spfd., 51; Sun, 31; Trav., 60; U. S., 27; Westches., 26; Re. Cl. Hse., 275; Foreign Cos. (England), 238; London Lloyds, 120. Total in auth. reins., \$3,793,840; total in unauth., \$376,809.

\* \* \*

**Fidelity-Phnx.**—Aet., 42; Agric., 28; Am., 39; Coml. Un., Eng., 46; Cont., 234; Fed., 25; Fire, Fund, 28; Glens Falls, 86; Gr. Am., 66; Hfd., 45; Home, 106; N. A., 50; Nat., 45; Niag., 148; N. B. & M., 31; No. River, 35; Royal, 109; Spfd., 32; Re.

\* \* \*

**Pacific Fire Underwriters Association** held its annual meeting this week at San Francisco.

\* \* \*

**Factory mutuals** review their experience in New England hurricane in official report covering 1938 operations.

\* \* \*

Duncan Reid is retiring March 31 as president of **Globe Indemnity** and will be succeeded by Kenneth Spencer, now vice-president.

\* \* \*

**Charles D. James** is elected president of Northwestern National, succeeding W. D. Reed, who retires after 55 years of service.

\* \* \*

**Reinsurance transactions** of prominent fire companies are presented.

Page 4

Cl. Hse., 194; Foreign Cos. (England), 238; London Lloyds, 51. Total in auth. reins., \$2,180,840; total in unauth., \$299,954.

\* \* \*

**Fire Association**—Am., 80; Camden, 57; N. A., 95; Lumbermen's, Pa., 2,501; N. Hamp., 29; Northern, Eng., 27; Phila. F. & M., 91; Phila. Nat., 1,046; Reliance, Pa., 1,730; Royal, 30; Royal Ex., 32. Total in auth. reins., \$6,299,069.

\* \* \*

**Fireman's Fund**—Aet., 83; Agric., 61; Atlas, 51; Brit. & For., 25; Coml. Un., Eng., 28; Cont., 37; Fid.-Phnx., 93; Gr. Am., 36; Hfd., 35; Home, 40; Home F. & M., 117; N. A., 133; N. B. & M., 26; Occidental, 49; Prov. Wash., 51; PRUDENTIAL, 255; Queen, 37; ROSSIA, 308; Royal, 42; Spfd., 28; Union of Canton, 91; Westches., 25; Re. Cl. Hse., 727; London Lloyds, 479. Total in auth. reins., \$3,259,964; total in unauth., \$481,486.

\* \* \*

**Firemen's**—Am., 45; Concordia, 3,043; Cont., 54; Fid.-Phnx., 53; Girard, 4,447; Glens Falls, 63; Hanover, 24; Milw. Mech., 8,213; Nat.-Ben Franklin, 3,072; ROSSIA, 253; SWISS RE., 2,100; Oil Assn., 30; West Sp. Risk, 195. Total in auth. reins., \$21,859,079.

\* \* \*

**Glens Falls**—Agric., 125; Am., 163; Am. Eagle, 97; Commerce, 223; Cont., 199; Excel, 28; Farmers, Pa., 58; Fed., 26; Fid.-Phnx., 190; Firemen's, 158; Granite State, 29; Hanover, 129; So. Carolina, 106; Am. Re. Exch., 298; Re. Cl. Hse., 877; Foreign Cos., 238. Total in auth. reins., \$3,199,636; total in unauth., \$251,431.

\* \* \*

**Great American**—Aet., 74; Am., 128; Am. Alliance, 3,704; Birmingham, Pa., 43; Cent., 83; Coml. Un., Eng., 31; Cont., 34; County, 853; Det. F. & M., 1,594; Eagle Star, 39; Fid.-Phnx., 34; Fire Fund, 48; Glens Falls, 27; Hanover, 41; Hfd., 90; Home, 78; N. A., 105; Mass. F. & M., 853; Natl., 32; N. B. & M., 43; Northern, Eng., 26; Phnx., Conn., 344; Roch. Am., 1,594; Royal, 80; St. Paul, 45; Spfd., 276; Westches., 25; Am. Re. Ex., 704; C. T. Bowring, Eng., 79; London Lloyds, 107. Total in auth. reins., \$11,816,604; total in unauth., \$201,086.

\* \* \*

**Hartford**—Aet., 157; Agric., 52; Am., 57; Am. Central, 45; Am. Eagle, 107; Atlas, 32; Auto., 41; Citizens, 703; Columbia, Ohio, 30; Coml. Un., Eng., 178; Cont., 166; Eagle Star, 66; Fed., 27; Fid.-Phnx., 62; Fire Fund, 113; Gibralt., 82; Gr. Am., 160; Hanover, 53; Home, 241; N. A., 242; L. & G., 71; Lond. & Lanc., 34; Natl., 57; Nat. Lib., 41; N. Hamp., 36; N. Y. Und., 627; N. B. & M., 79; No. Riv., 47; Northern, Eng., 54; Northwest F. & M., 1,024; Nor. Un., 33; Phnx., Conn., 30; Phnx., Eng., 43; Royal, 113; Royal Ex., 34; Sentinel, 42; Spfd., 167; Sun, 37; (CONTINUED ON PAGE 33)

## THIS WEEK IN INSURANCE

**Argus Fire Charts** from The National Underwriter press will be ready this week.

Page 3

**W. D. Williams**, vice-president and western manager of the Security of New Haven, and E. K. Crawford, assistant manager in the western department, will retire. The recording end of the western department will be moved to the head office and E. T. Tanner will be manager of the Rockford office.

Page 3

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Page 8

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Page 4

Mid-year meeting of the **Minnesota Association of Insurance Agents** was held at Minneapolis.

Page 4

It is reported in New York that the casualty and surety acquisition cost conferences have worked out a **plan for Chicago**.

Page 25

At forthcoming meeting of National Association of Insurance Agents at Hollywood, Fla., the presence of **mutuals in local agencies** will receive much attention.

Page 4

Security of New Haven field men in the central west pleased with their **newly elected president**.

Page 10

Travelers will pay nearly \$800,000 to automobile owners this year under the **safe driver reward plan**.

Page 23

**Ralph H. Alexander**, secretary Pittsburgh Association of Insurance Agents, has been appointed deputy insurance commissioner in his state.

Page 8

Provision in proposed New York code **limiting types of explosion** which fire companies may cover is causing some protest.

Page 23

**Spencer Welton**, vice-president Massachusetts Bonding, spoke before the Minneapolis Insurance Club this week.

Page 25

## Mutual Issue Will Loom Up Strongly at Hollywood Rally

### Many Agents in Other States Deplore Position Taken in Ohio

At the mid-year meeting of the National Association of Insurance Agents in Hollywood, Fla., the first week of April probably the most engrossing subject will be the action of the Ohio association in seceding from the parent body and the hub of the controversy will be the presence of mutual companies in stock agencies. That was one of the reasons given by the Ohio association for retiring, it taking the ground that in that state there are a large number of members that represent both stock and mutual companies and they would not separate. Ohio has a peculiar law which prohibits companies from using any pressure in agency clearance. While the large cities of the state, Cincinnati, Cleveland, Toledo and some of the others do not have mixed agencies or at least very few, they are found in the outside districts in large numbers. In this respect they resemble the situation in the New England states where probably 90 percent of the agents represent mutuals.

#### States Decide Eligibility

The National association has not established any rule prohibiting these mixed agencies. It leaves the eligibility rules to the state association, each to decide for itself. Naturally, however, the National association in its administrative machinery is opposed to participating companies. It draws no distinction between agency and non-agency mutuals.

The action of the Ohio association has drawn much fire from states which do not allow members to represent mutuals. There has been constantly more and more pressure brought to bear to make association members purely stock people. Therefore, the Ohio action has met with much resentment on part of a number of states where the mutual question is a vital one. These militant states are urging the National association not to take any backward steps and to keep the flag of stock insurance floating over the ramparts.

#### Authority Is Questioned

There has been considerable discussion among members of the Ohio association as to the drastic action taken by the directors. Some feel that such an important move should have received the mandate of the membership and take the position that the directors went too far in assuming so much responsibility. Some members that were opposed to the action of the state association, now from the standpoint of loyalty say they are obliged to stand by the administration. The fact that a sizable delegation will go to Hollywood from Cincinnati is significant. Many members are hoping that some compromise can be reached that will bring Ohio back into the fold but they do not want any favorable attitude taken toward mutuals although they seem willing to allow each state to decide for its own eligibility rules.

Because of the character of the agencies in Ohio and the New England states the Business Development Office and other agencies that are helping the stock causes have been able to make but little progress there. The mutual question, therefore, at Hollywood promises to be prominent in the meetings of (CONTINUED ON PAGE 21)

# F.U.A.P. Holds Its Annual Gathering

## Simplification Needed in Consequential Lines of Insurance

### Modern Merchandising Methods and Attractive Presentation Emphasized

SAN FRANCISCO—Prefacing his discussion on consequential losses with comment on the problem of meeting the declining fire premiums with new income without further increasing the expense ratios, G. N. Hedreen, special agent for the Fire Association at Seattle, told Pacific Fire Underwriters Association that the need for coverages against consequential losses is one answer to the problem.

"As a fieldman," he said, "the outstanding reaction which I have from the subject of consequential losses, is this apparent lack of success in selling protection against these losses." He said the forms of consequential losses are: 1. interruption of income earnings or loss of profits; 2. Possibility of loss created by contractual obligations; 3. Possibility of loss through effect of building laws; 4. Possibility of loss due to dependence on operation or existence of other property; 5. Possibility of loss due to necessity for continuation of services to customers.

#### Reasons for Sales Resistance

"Now the question is: why have we been unable to successfully sell these coverages? In the first place, we have failed to secure an understanding on the part of agents of the fundamentals involved in consequential coverages. The most important of these is use and occupancy. From my experience and from discussions from other fieldmen, I am of the opinion that not more than one agent in ten has sufficient confidence in his knowledge of use and occupancy to solicit this class. There are many reasons for this, the first being

(CONTINUED ON PAGE 45)

## Business Getting Ideas Presented at Convention

### C. L. King Urges the Development of Some Collateral Coverages

SAN FRANCISCO.—Charles L. King of San Francisco, assistant manager for Crum & Forster did not have a subject for his treatise that he gave before the Pacific Fire Underwriters Association and, therefore, was able to inject into it such observations as he desired. He called attention to the fact that in 15 years ending in 1937, the annual fire premiums in the United States declined about 30 percent. By a strange coincidence the amount of liability written by the fire companies during 1937 was equal to the amount 15 years ago. The average rate decrease, therefore, is 30 percent. Mr. King states that these figures definitely indicate that insofar as fire insurance is concerned, the business is being conducted on a declining economic scale. He said that it is fortunate that the fire companies do not operate with the proportionately tremendous fixed overhead of the larger industrial companies. The results of the fire companies do not swing rapidly from a condition of fair profit when production levels are normal to one of heavy loss when production levels are depressed.

#### Subject to Rate Section

While in fire insurance the absence of violent swings has undoubtedly assisted in maintaining a fair semblance of order, stability and competitive control he said, on the other hand, the business is subject to a constant, if less spasmodic, decline in the unit price of its product, viz., the rate level. The insurance unit cost has declined with a resultant effect upon the income and on the expense of operation. The market is broadening and not contracting. In the anxiety to lessen the force of competition Mr. King said that some unsound practices are certain to creep into the business.

In speaking of possible remedies, Mr. King declared that there are certain lines which offer an opportunity for increased income. There is ample evi-

(CONTINUED ON PAGE 37)

### Sees Field for More Premiums in Insuring Private Forests

SAN FRANCISCO—There is a great source of premium income for fire companies in the privately owned forests of the Pacific coast, according to H. B. Shepard, forest engineer of Boston and former senior forest economist of the U. S. Department of Agriculture who recently completed a survey of the coast timberlands, who told the members of the Fire Underwriters of the Pacific of the results of his studies in this respect.

He said that though subject to loss and damage by fire this great investment of some \$650,000,000 has not the benefit of fire insurance protection; that this protection has long been recognized by timber owners, foresters and insurance men as highly desirable. He also said that it is realized that the early practices of the lumber industry must be replaced by sound forest management, retaining in the woods an adequate forest capital in the form of growing stock.

#### Requirements Set Forth

"The first requirement of all insurance is that the rate of loss or burning ratio be in the aggregate relatively low compared to the earning rate of the property. Otherwise the property cannot carry itself and pay the necessary premiums. A second requirement is that there be a sufficient volume of potential liability for reasonably orderly operation of the law of great numbers. Periodic deviations from the normal loss ratio must not be excessive.

"Before successful fire insurance can be applied to forest properties, they must show promise that losses and earning capacities are not out of line, that sufficient volume of business can be had, and that there is reasonable assurance that conflagration reserves can be accumulated without undue difficulty.

"If it is assumed," said Mr. Shepard, "that insurance carriers can live on an average loss ratio of 50 percent, a premium of 28.4 cents per \$100 would have

(CONTINUED ON PAGE 45)

## Record Attendance at Pacific Meeting in San Francisco

### Excellent Program Provided by the Fire Underwriters Association

SAN FRANCISCO—There is a record attendance at the annual meeting of the Fire Underwriters Association of the Pacific here this week. Heretofore it has usually been held in February but it was postponed at the request of a number of members and companies in order that visiting field men and others could see the Golden Gate International Exposition. The meeting started Wednesday, presided over by J. K. Woolley of Seattle, head of the Washington Surveying & Rating Bureau.

#### Educational Plan Suggested

Following President Woolley's address, W. G. Rich of this city, assistant manager of the coast department of the Royal-L. & L. & G., who is very much interested in promoting educational facilities along insurance lines, gave his address on vocational education in which he made some concrete recommendations for insurance interests to follow. He believes that it is highly necessary to provide facilities for training the personnel.

H. B. Shepard, forest engineer, in his paper on forest fire insurance, declared there is a great source of premium income for companies in the privately owned forests of the Pacific Coast. The forest industry, he said, has an investment of \$650,000,000 but has not the benefit of fire insurance protection. He declared that forest fire insurance has an opportunity to play a part of great importance in the forest conservation program.

G. W. Hedreen of Seattle, special agent of the Fire Association, in speak-

(CONTINUED ON LAST PAGE)

## PACIFIC FIRE UNDERWRITERS ASSOCIATION NOTABLES



J. K. WOOLLEY, Seattle President



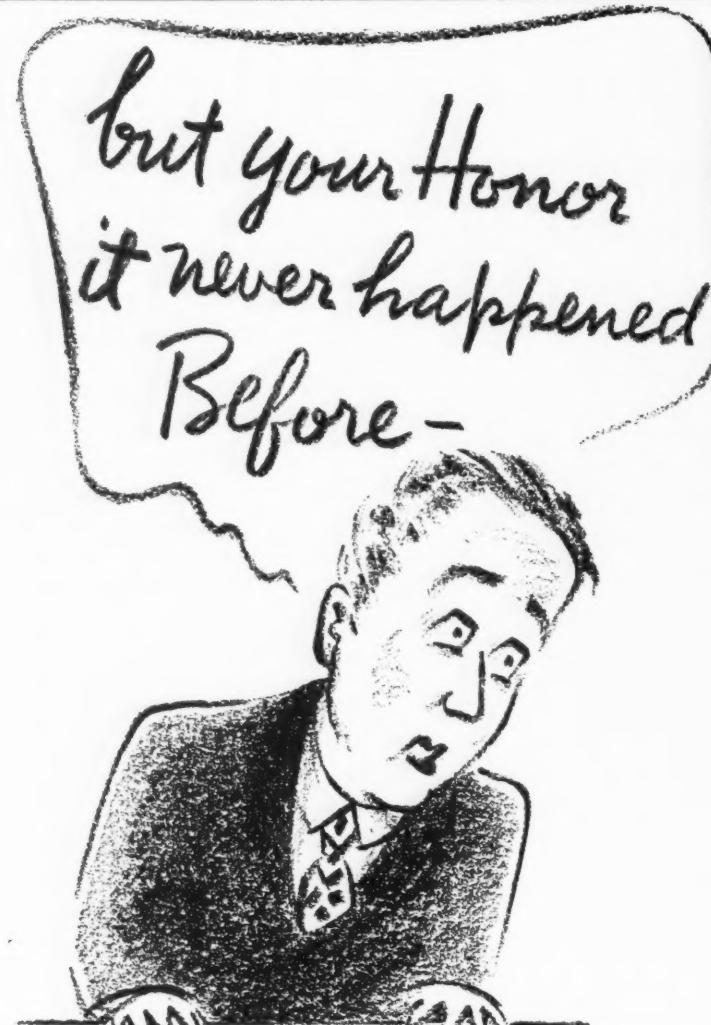
RAYMOND L. ELLIS, San Francisco Vice-president



WILLIAM H. MENN, Los Angeles President National Agents Body



S. L. CARPENTER, San Francisco Manager Pacific Board



Wouldn't you feel as guilty as your assured if an accident or loss occurred and you had neglected to tell him that he could have been insured against it? Phænix-London Agents that use our Visible Business Record systematically are never placed in this embarrassing position. If you are anxious to know more about how it works, clip and mail the coupon below. The Phænix-London rate charts are still available. If you have not received one—write for it today.



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**CASUALTY COMPANIES**  
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## Factory Mutuals Tell Hurricane Loss

**Gross Payments \$5,000,000 and Net After Reinsurance Was \$2,700,000**

The net loss to the factory mutual companies, after reinsurance, in the New England hurricane of last September was about \$2,700,000, those companies announced in their official report of the 1938 record. That was the figure that was unofficially given sometime ago. The hurricane caused damage to about 1,000 plants that were insured in the factory mutuals, the gross loss being about \$5,000,000. About 10 percent of that was for use and occupancy.

More than 80 percent of the total loss had been paid at the end of the year. Nearly \$1,500,000 had been advanced to facilitate the work of restoration.

The New England hurricane produced losses equivalent to all the wind losses paid in the past 25 years by the factory mutual companies. In addition to the wind losses there were later in the year two large fires due to special conditions which prevented good protective systems from operating as expected.

#### Fire in Soule Mill

In late September the spinning section of the Soule Mill in New Bedford, Mass., was destroyed by fire. In December the one story cotton mill of the Aponaugh Manufacturing Company in Yazoo, Miss., was largely destroyed. A week before, a fire had occurred, the sprinklers were shut off and through an oversight they were not turned on again.

The total net losses incurred during the year of the factory mutuals amounted to \$5,258,000 or at the rate of 5½ cents per \$100 insured. Except for the hurricane losses the loss ratio was about 2.7 cents per \$100.

The assets of all the factory mutual companies as of Dec. 31 1938, were \$61,200,000, premium deposits were \$51,700,000 and surplus \$31,500,000.

## Illinois Department and Code Provision on Advertisements

There has been some misunderstanding regarding the provision of the Illinois code regarding the publication or advertising of figures before the annual statement is approved by the department. The third paragraph of Section 148 of the Illinois code says, "No company authorized to do business in this state shall cause to be inserted in any newspaper, periodical, magazine or other publication any advertisement purporting to set forth in figures its financial standing unless the figures exhibited in such advertisement correspond to the figures contained in the next preceding verified statement made to the director." This has been taken to mean by some companies that they do not dare publish their annual statement until the regular detailed statements have been filed and approved by the Illinois department.

Insurance Director Palmer, in speaking to THE NATIONAL UNDERWRITER on the subject, said that if a company desires to publish a skeleton statement or extracts from its financial exhibit all the department requires before the full annual statement is filed is to have a copy of the proposed advertisement submitted under oath. The department evidently desires to prohibit a company whose management is conscienceless from publishing figures that it knows the department will not approve. In some cases it has been found that weak concerns will publish a statement that the department will cut down materially.

## Ohio Agents Name Own Conference Body



AUSTIN McELROY

Austin McElroy of Columbus, national councilor of the Ohio Association of Insurance Agents, has been appointed chairman of a committee to represent the organization in dealing with company organizations in any matters in which a conference is indicated. This committee was appointed because the Ohio Association, having seceded from the National Association of Insurance Agents, will not be represented in conferences conducted by the national body.

The other members of the committee are E. S. Davis of Cleveland, Theodore Safford of Cincinnati, W. C. Hazlebeck, Portsmouth, and P. W. Tribble, Bellevue.

President L. Calvin Jones announces also that arrangements are in progress to have the Ohio agents association represented in Washington on all matters affecting Ohio agents. Mr. Jones states that the Ohio association will not enter into a disputation with the National association. The Ohio association parted from the National, he said, with the friendliest of feelings and only because the leaders in Ohio felt that the principles of the two organizations were so far apart that the Ohioans could not give coextensive support to the National.

#### More Than Language Needed

The lengthy statement made recently by W. H. Bennett, general counsel National association, according to Mr. Jones, has not altered the sentiment in Ohio. "The reasons for our withdrawal stand as facts of fundamental differences in principle and it is not possible to explain them away with language," he said. "They can only be dealt with in terms of change of policy and organization structure of the National association."

The Ohio agents, the statement declared, believe that there should be a strong national association "devoted to the true principles of the agency business and is anxious and willing to support such an association in a practical manner."

Nothing that the Ohio association has done, Mr. Jones states, will prevent an individual Ohio agent from holding membership in the National association. "The position that the Ohio association has taken is that it cannot and will not, as an organization, continue its coextensive membership with the National association."

#### A. M. A. Meeting May 22-23

NEW YORK—The American Management Association insurance division will hold its annual meeting May 22-23 in Atlantic City. This year the meeting will be at the Hotel Claridge. The program is being assembled and will be released the latter part of this month.



## Automobile COVERAGE

Fire, Lightning, Transportation, Theft, Robbery, Pilferage, Vandalism and Malicious Damage, Tornado, Cyclone, Flood or Rising Water Damage, Windstorm, Hail, Earthquake, Explosion, Riot, Riot attending a strike, Civil Commotion damage caused by strikes, Glass Breakage, Falling Aircraft—and many other unforeseen happenings.

In addition to "Comprehensive" coverage this policy may be written to include:—

- Collision or Upset (full coverage or deductible)
- Towing and Road Service
- Towing and Emergency Service
- Loss of Use (by theft)

This "Comprehensive" form has the widest range of coverage ever offered in an automobile insurance policy.

*"It's all under one"*



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OF PROVIDENCE, RHODE ISLAND

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ANCHOR

Incorporated 1928

INSURANCE COMPANY

PROVIDENCE, RHODE ISLAND

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San Francisco: Sweet & Crawford, Gen'l Agts.

**C. D. James Heads Milwaukee Group**

**Third Generation to Serve As Northwestern National President**

MILWAUKEE—Charles D. James, youthful vice-president of Northwestern National of Milwaukee, has been elected president of the fire company and also of Northwestern National Casualty, it was announced Tuesday by Alfred F. James, chairman of the board. The election followed the retirement of William D. Reed, president for the last several years and associated with the company for more than 55 years.

The new president is 34 years old. He has been affiliated with the company since his graduation from Princeton university in 1927. He started in the accounting department and progressed through most of the departments, spending about five years in the underwriting division. He was named a director in 1932 and was elected vice-president two years ago. His accession marks the third generation of the James family to hold the office of president of Northwestern National. He is the son of past president Alfred F. James, now chairman of the board, and a grandson of the late Alfred James, the company's second president.

Mr. Reed became president in 1937 when Alfred F. James became board chairman. A native of Boston, Mr. Reed came to Milwaukee with his parents in 1876 when he was about 11 years old. After finishing his schooling he got a job as supply clerk at Northwestern National from the late Mr. James, then vice-president and manager. Mr. Reed worked in numerous departments during the years that followed and then became largely in charge of the underwriting, various times serving as assistant secretary, secretary, second vice-president and vice-president until two years ago when he became president.

Several other changes were made. Joseph Huebl, vice-president and associated with the company about 50 years, and Lubin M. Stuart, secretary-treasurer and also a vice-president who served the company 44 years, have both retired. Herman A. Schmidt, assistant secretary-treasurer, was elected vice-president to succeed Mr. Huebl who has been in charge of personnel, and was appointed secretary-treasurer to succeed Mr. Stuart. Henry L. Seip, head of the underwriting department and assistant secretary, was elected a vice-president and appointed assistant secretary-treasurer. William H. Dietz was also appointed assistant secretary-treasurer.

**Nearing Maps Toledo Parley**

TOLEDO—Guy Nearing of Bowling Green, president northwestern division of the Ohio Association of Insurance Agents was here making preliminary arrangements for the district spring meeting, the definite date for which has not yet been determined.

**Milling Losses Exaggerated**

TOLEDO—The loss on the Toledo Grain & Milling Company plant which occurred the latter part of February is in the process of being adjusted. While the loss was originally reported from \$225,000 to \$250,000 it is believed now that that was much in excess of the actual amount, as apparently there wasn't any considerable loss to stock in grain tanks. Until just recently it had been carried in the mutuals, but shortly before the fire it was transferred to stock companies.

Peckham & Green, one of the oldest adjusting firms in southern California, has opened a branch office at 1314 Seventeenth street, Bakersfield, Calif.

**New Pa. Deputy Is Experienced Insurance Man**



**RALPH H. ALEXANDER**

Ralph H. Alexander, who has been secretary and manager of the Pittsburgh Association of Insurance Agents, has accepted appointment as deputy commissioner of Pennsylvania to take the place of E. S. Joseph. Mr. Alexander for more than 20 years was connected with the Hoover & Diggs agency of Pittsburgh. He was always active in association affairs and in 1938 took over the job of putting new life into the Pittsburgh agents association, operating on a full time basis. He has been most successful in that undertaking. He has served as a director of the Pennsylvania Association of Insurance Agents and as chairman of its legislative committee. He is a graduate of the business school of the University of Pennsylvania and is a member of an insurance family. The salary of deputy commissioner is \$6,500.

**Texas Governor Names Another**

AUSTIN, TEX.—Governor O'Daniel has sent to the senate the name of Walter Woodward of Coleman as life insurance commissioner and chairman of the state board of insurance commissioners to succeed R. L. Daniel. Mr. Woodward was for 10 years a state senator and is a former president of the Texas Bar Association. He is the second man named for the place by the governor. The senate confirmed Mr. Woodward's appointment Wednesday.

**MORIN RHODE ISLAND DEPUTY**

Henry R. Morin has been appointed deputy in charge of insurance in the new department of business regulation of Rhode Island. He takes the place of Peter Leo Cannon. Mr. Morin is a native of Woonsocket, R. I.; he was connected with the Industrial Trust Company; for 10 years he was in Yokohama as the oriental representative of a New York silk firm and then for several years was connected with Paine, Webber & Co. He is a former member of the Rhode Island legislature.

The director of the department of business regulation is Horace L. Weller. He is retaining the services of M. Joseph Cummings, who was formerly in charge of banking and insurance but is now deputy in charge of banking.

**DUNN IS REAPPOINTED**

PIERRE, S. D.—P. J. Dunn was re-appointed South Dakota insurance commissioner and gained the approval of the senate at the final session.

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**SECURITY** IN MATERIAL  
RESOURCES,  
**PLUS** THOSE INTANGIBLE ASSETS  
THAT INSPIRE CONFIDENCE;  
AGE-EXPERIENCE-FAITHFUL PERFORMANCE

FINANCIAL STATEMENTS DECEMBER 31, 1938  
'AS FILED WITH THE NEW YORK INSURANCE DEPARTMENT

<b>Companies</b>	<b>Capital</b>	<b>Total Admitted Assets</b>	<b>Liabilities (except Capital)</b>	<b>Surplus to Policyholders</b>
Firemen's Insurance Company of Newark, N. J. Organized 1855	\$9,397,690.	\$33,752,044.	\$15,874,974.	\$17,877,070.
The Girard Fire & Marine Insurance Company Organized 1853	1,000,000.	4,641,883.	2,116,113.	2,525,770.
National-Ben Franklin Fire Insurance Company Organized 1866	1,000,000.	4,211,247.	1,831,977.	2,379,270.
The Concordia Fire Insurance Co. of Milwaukee Organized 1870	1,000,000.	4,595,983.	1,823,080.	2,772,903.
Milwaukee Mechanics' Insurance Company Organized 1852	2,000,000.	11,161,567.	4,968,718.	6,192,849.
The Metropolitan Casualty Insurance Co. of N. Y. Organized 1874	1,500,000.	10,314,807.	7,632,574.	2,682,233.
Commercial Casualty Insurance Company Organized 1909	1,000,000.	9,330,272.	7,007,195.	2,323,077.
Pittsburgh Underwriters - Keystone Underwriters	.....	.....	.....	.....

WESTERN DEPARTMENT  
844 Rush Street  
Chicago, Illinois

CANADIAN DEPARTMENT  
461 Bay Street  
Toronto, Canada

HOME OFFICE  
10 Park Place  
Newark, New Jersey



PACIFIC DEPARTMENT  
220 Bush Street  
San Francisco, Calif.

SOUTHWESTERN DEPARTMENT  
912 Commerce Street  
Dallas, Texas

**FIRE**   **MARINE**   **CASUALTY**   **SURETY**

CHARLES J. SCHRUP, President

S. F. WEISER, Secretary



Dubuque, Iowa

## FIFTY-SIXTH ANNUAL STATEMENT, DECEMBER 31, 1938

Capital	\$1,000,000.00
Unearned Premium Reserve	3,352,237.27
(and all other liabilities)	
Contingency Reserve	210,000.00
Net Surplus	1,049,078.81
	<b>\$5,611,316.08</b>

## SUMMARY OF ADMITTED ASSETS

Bonds and Stocks	\$3,767,420.27
Cash on Hand and in Banks	745,176.35
Real Estate Mortgage Loans	30,069.27
Real Estate	319,201.35
Agents' Balances Not Over 90 Days Due	718,528.98
Interest Accrued on Loans and Bonds	30,919.86
	<b>\$5,611,316.08</b>

Securities valued as prescribed by Association of Insurance Commissioners. On the basis of market quotations as of December 31, 1938 for all bonds and stocks, the total admitted assets would be increased to \$5,665,978.96 and the net surplus to \$1,103,741.69.

Securities carried at \$204,008.40 in the above statement are deposited as required by law.

CHARLES J. SCHRUP, Pres. &amp; Treas.

GEO. W. MYERS, Vice-Pres.

S. F. WEISER, Secretary



Chicago, Illinois

OPERATING OFFICE DUBUQUE, IOWA

## TWENTIETH ANNUAL STATEMENT, DECEMBER 31, 1938

Capital	\$ 500,000.00
Unearned Premium Reserve	1,576,235.17
(and all other liabilities)	
Contingency Reserve	85,000.00
Net Surplus	485,090.90
	<b>\$2,646,326.07</b>

## SUMMARY OF ADMITTED ASSETS

Bonds and Stocks	\$1,786,453.13
Cash on Hand and in Banks	286,419.00
Real Estate Mortgage Loans	2,800.00
Real Estate	375,556.38
Agents' Balances Not Over 90 Days Due	178,773.60
Interest Accrued on Loans and Bonds	16,323.96
	<b>\$2,646,326.07</b>

Securities valued as prescribed by Association of Insurance Commissioners. On the basis of market quotations as of December 31, 1938 for all bonds and stocks, the total admitted assets would be increased to \$2,667,411.46 and the net surplus to \$506,176.29.

Securities carried at \$202,356.28 in the above statement are deposited as required by law.

## Show Remittances of Foreign Insurers

The exhibit below gives the net result of remittances during 1938 and 1937 between foreign companies and their United States branches. These figures were gotten together by the compilers of the Argus Fire Chart, which is published by THE NATIONAL UNDERWRITER and will soon be off the press. In the Argus Chart the showing is made over a 10-year period for the various companies. A minus sign indicates that the net flow of funds for the year was in the direction of the home office whereas a plus sign indicates that the remittances to the United States branch exceeded those to the head office.

	1938	1937
Alliance, Eng.	+\$158,402	-\$161,334
Atlas Assur.	-207,974	-231,998
Baltica	-93,362	-115,000
British Gen.	-45,381	-43,949
British & Foreign	-26,890	-20,187
Brit. Amer. Assur.	-93,887	-123,232
Caledonian	+18,065	-26,656
Canadian	-34,713	-7,922
Canton	-7,376	-22,000
Century	-146,727	-172,290
Christiansia	-8,838	-416,048
Commercial Union	-756,042	-1,045,032
Emagle Star	-322,349	-52,935
French Un. & Univ.	-60,470	-325,034
Fuso M. & F.	-24,599	-24,616
General, Paris	-30,567	-162,123
General, Italy	-15,707	+\$82,589
Halifax Fire	-100,000	-95,000
Indem. Marine	-32,739	-28,191
Jupiter Gen.	-31,718	-34,812
La Paternelle	-39,306	+548,280
Law Union & Rock	-141,182	-118,963
Liverpool & L. & G.	-1,371,214	-1,460,619
London Assur.	-789,554	-343,371
London & Lanc.	-307,058	-528,167
London & Prov. Mar.	-4,517	-5,857
London & Scot.	-52,167	-55,634
Marine, Eng.	-589,818	-634,557
Maritime	-44,605	-33,079
Meiji	-345,801	-62,009
Netherlands	+2,869	-4,847
New Zealand	-104,424	-41,552
No. Brit. & Mer.	-974,630	-561,201
Northern Assur.	-537,081	-622,800
North China	-280,278	-184,386
Norwich Union	-173,146	-182,442
Ocean Marine	-16,188	-29,557
Pacific Coast	-20,236	-49,039
Palatine	-145,842	-117,988
Pearl Assur.	+1,524,473	+1,612,292
Phoenix Assur.	-514,057	-521,446
Reliance Marine	+7,670	-24,076
Royal, Eng.	-585,337	-1,164,672
Royal Exch.	-108,301	-152,541
Scottish	-33,888	-710,795
Sea	-339,933	-342,162
Skandia	-10,282	-10,282
Skandinavia	-3,895	-126,060
South British	-56,923	-81,441
Standard Marine	-273,250	-186,923
State, Eng.	-50,513	-19,040
Sun, London	-454,003	-455,109
Svea Fire & Life	-175	-199,697
Swiss Reins	-1,594	+1,143
Switzerland Gen.	-42,264	-65,384
Thames & Mersey	-81,198	-20,163
Tokio M. & F.	-2,577,486	-249,650
Union Assur	-93,614	-97,822
Union, Paris	-1,211	+1,912
Union & Phenix	-87,360	-32,650
Union Canton	-213,874	-126,949
Union Marine	+20,351	+7,977
Urbaine	-69,392	-290,276
Western Assur	-180,053	-170,575
Yang-Tze	-239,771	+6,946
Yorkshire, York	-36,972	-108,089

## Garner Is Okla. Fire Marshal and Member of State Board

Carl Garner of Walters has been appointed state fire marshal of Oklahoma, succeeding W. C. Theimer, who was recently removed by Governor Phillips. The senate has confirmed the Garner nomination. Garner becomes a member of the state insurance board. The governor is expected to send a nomination for the post of secretary of that board from which he recently removed Robert Seigfreid.

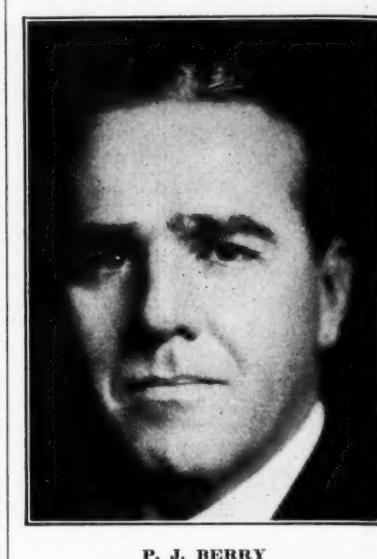
Garner was formerly teacher in one of the leading consolidated schools in his county.

## Hail Insurance Meetings

The Hail Insurance Association has completed two very successful meetings, one at Dallas, Feb. 28-March 1, when 75 were present and on March 3-4 at Wichita, Kan., with 200 present. The next meeting will be at Omaha, March 14-15. At Minneapolis the meeting is set for March 27-28 and Great Falls, Mont., March 31-April 1. A number of the managers of hail departments attend the meetings. There are present the field men and adjusters and the conferences are educational.

## Security Field Men Pleased with Their New President

The central west field men of the Security of New Haven group had an opportunity at their conference in Chicago last week to come in direct contact with P. J. Berry, the new president who succeeded W. D. Williams of Rockford, Ill., who also was western manager. Mr. Berry has risen to his high office by hard work, a mastery of administra-



P. J. BERRY

tion principles and his excellent judgment. He is a young man with an amiable, ingratiating personality.

After a short time many in the group were calling him "Pete," which he relished. He is a thorough going democrat and is taking his position in a serious way. He has been particularly interested in the production end of insurance and had his particular training in the casualty and surety field. He was taken to the Security to get the Connecticut Indemnity established and going. He soon demonstrated his worth as a general administrator rather than one confined to the casualty field.

Mr. Berry desires to build an organization. He has a definite program set out for the Security group. He will stress especially the work of the field men and each state agent will be the king pin so far as the Security is concerned in his bailiwick. He is feeling his way along and before he takes an important step he not only gets the advice of his own people but others in the business in whom he has confidence.

## Committees for Convention of General Agents Named

SAN FRANCISCO—L. B. Daniels, president of Seely & Co., of California, and president American Association of Insurance General Agents, announced committee chairmen to handle details of the general agents convention in San Francisco June 26-28.

These are: B. O. Selbach, Selbach & Deans, invitations; D. E. Kessler, Jensen & Kessler, hotel; J. A. Cassidy, registration; P. D. Richards, entertainment; P. F. Landis, Hinchman, Ralph & Landis, publicity; J. M. Demmer, Victor Montgomery Company, printing and badges; H. F. Ahmanson, Los Angeles, southern California; C. V. Jensen, Jensen & Kessler, audit and finance. In charge of the business program are William Deans, E. C. Fox, F. J. Pelletier and Mr. Richards.

Convention headquarters will be the Mark Hopkins hotel, across California Street from the Fairmount hotel, where the convention of the National Association of Insurance Commissioners will be held just prior to that of the general agents.

## Will Retire Soon



WALTER D. WILLIAMS, Rockford, Ill.

Vice-President Walter D. Williams of the Security of New Haven group, in charge of its western department, will retire from business May 1. He has had a long, useful and notable career. He has served various insurance organizations with ability and has been most service giving.

## McCormack and Eckert Go Before U. S. Grand Jury

A. L. McCormack, president of the Charles L. Crane agency of St. Louis, and W. H. Eckert of Chicago, executor of the estate of Charles R. Street, appeared in Kansas City before the federal grand jury which is investigating the disposition of funds totaling \$447,582 by the late Mr. Street, following the compromise of the Missouri rate case in 1935. Mr. McCormack has admitted that he received about \$30,000 from Mr. Street in 1936 for services that he had rendered.

Those acquainted with Mr. McCormack know that he did devote a great deal of time and traveled extensively to Jefferson City, Chicago and New York in connection with the compromise.

### O'Malley Makes Suggestion

R. E. O'Malley, who was Missouri superintendent when the compromise was entered into, is quoted as suggesting that the \$447,582, concerning which there is so much interest, might have been distributed as compensation to some of the fire companies that were not directly interested in the federal court case but supported the litigation so that there might be a united front. Those companies in the state court case were compelled to refund the entire impounded premiums to policyholders and hence got no salvage for themselves or for their agents.

Some of the agents of companies in the state court case, it is known, brought pressure to bear to force those companies to pay commissions on impounded premiums, despite the fact that the entire fund went back to policyholders.

Superintendent Lucas of Missouri has filed a petition with the federal court in Kansas City to reject the accounting and report of Attorney R. J. Folonie of Chicago as co-trustee for the \$2,770,000 fund, representing 30 percent of the im-

pounded premiums in the federal court 16 2/3 percent rate increase case. Lucas requested the court to refer the matter of accounting for this fund and the disposition of the \$100,000 and \$347,000 that was handled by Mr. Street personally to a special master. Lucas charges that the report made by Mr. Folonie and E. A. Henne, successor to Mr. Street as co-trustee, "is evasive and indefinite in its undertaking to report the conduct of the trust and how and in what manner the trustees have discharged their duties and pretends to be nothing more than an audit."

R. J. Folonie testified before the grand jury this week, taking with him a suit case full of records of his trusteeship.

### NEWS BRIEFS

H. J. Girard, Providence Washington in Wisconsin, G. L. Frank, Aetna Fire at Nashville, C. F. Wagner, manager Oregon Rating Bureau, Portland, Ore., have been appointed new district chairmen for the contest committee of the National Fire Waste Council.

W. A. James of the inland marine department of Aetna Fire, has completed 25 years with the company.

Walter Woodward has been nominated by Governor O'Daniel of Texas as life insurance commissioner and chairman of the board of insurance commissioners.

## Resolution Bearing on the Convention Examination Plan

At the recent meeting of the officers and executive committee of the National Association of Insurance Commissioners, Commissioner McCormack of Tennessee introduced a resolution which was an appeal to the home state commissioner not to load an examination with men from his own state but to leave at least 49 percent of the work to the out of state examiners. The resolution was as follows:

"Resolved, That we recommend to the various states that the examinations committee proceed on the convention form zone examination, and that the committee act within Section 3 of the by-laws, as amended to this date, or covered by resolutions of the convention.

"That all home states are requested to actively participate in all convention examinations, and the chief examiner, assigned to such examination by the home state, should be the chief examiner of the convention examination, if present. If home state chief examiner is not present, the chief examiner of the convention examination shall be selected

by the chairman of the examinations committee.

"That the home state commissioner or superintendent is requested to cooperate with the intention of the convention plan to reduce expense to the company examined, by reducing as much as possible, but not to exceed a majority, the number of home state examiners, so that the total number of home and outside state examiners shall not exceed the correct number required for an efficient and economical examination. That common sense, fair play, economy and harmony among the states be used as the yardstick of enforcement of convention examinations."

The rural agents committee of the National Association of Insurance Agents headed by R. W. Forshay of Anita, Ia., has gotten out a suggested guide and agenda for the use of state association rural agents committees. This gives much valuable material and inasmuch as the committee has mulled over the subject and text for some time the contents will be well received by state committees. The committee emphasizes the hope that controversial subjects should always be submitted to it first. The rural agents committee is so constituted that territorial underwriting problems can receive early attention.

## HELP ~~WANTED~~ Offered

Many Agents who concur with our belief that the future of the local Agent depends upon his use of the Insurance Survey and Analysis plan are hesitant to adopt it because they feel that it is a difficult or lengthy task to handle properly.

We are answering this appeal for help with an Insurance Analysis Guide, which leads the Agent through all of the various steps incidental to a thorough and accurate survey of a personal account. It is offered free not only to our present Agents, but to prospective Agents of



Capital Stock  
Standard Protection  
Company Insurance



New Jersey

Fire & Marine Companies

THE AMERICAN INSURANCE COMPANY  
THE COLUMBIA FIRE INSURANCE COMPANY

THE JERSEY FIRE UNDERWRITERS  
DIXIE FIRE INSURANCE COMPANY

**GENERAL AGENCY CONTRACTS**  
Financially strong Local Agency planning expansion desires Minnesota General Agency contracts for Fire and Casualty with companies operating in State or planning entrance.  
ADDRESS J-71, NATIONAL UNDERWRITER

## NEWS OF FIELD MEN

### Chisholm Retires After 55 Years

After 55 years of service with the Springfield group, E. A. Chisholm, state agent in Texas since 1908, has retired.

Replacing Mr. Chisholm is State Agent C. G. Dempsey, Amarillo. Mr. Dempsey has been connected with the Springfield group since 1920, formerly traveling in northeast Texas but since 1925 he has made his headquarters at Amarillo.

Axel Granberg will succeed Mr. Dempsey as state agent for Springfield at Amarillo. He joined the group in 1917 and has held various positions in the Chicago office. At present he is head examiner for Texas.

Mr. Dempsey will make his headquarters at 1217 Republic Bank building, Dallas, and Mr. Greenberg will make his headquarters at 212½ East Sixth street, Amarillo.

#### San Francisco Pond Meets Mar. 13

The annual splash of San Francisco Blue Goose will be held March 13th,

with initiation of goslings. There will be an induction ceremonial by the degree team which was a feature at the 1938 grand nest meeting. Special entertainment will follow dinner. L. E. Coburn, most loyal gander, will preside. Many ganders from other sections who will attend the annual meeting of the Fire Underwriters Association of the Pacific, March 15-16, and the Golden Gate International Exposition, are expected to be present.

### Ohio Field Men Hold Meetings This Week

The general committee in charge of the arrangements for the meeting of the grand nest of the Blue Goose to be held in Cincinnati in August held a meeting in Columbus Tuesday afternoon to consider details. A. C. Guy of the Western Adjustment is chairman and B. F. Flood of the Royal secretary. The reception committee under the chairmanship of Martin Vold, Jr., also held a meeting.

At the meeting of the Ohio Fire Underwriters Association A. E. Bulau of the Home, who has been made state

agent in Indiana, resigned as a member of the executive committee and President Leighton appointed J. F. Lisey, Jr., of the Home to take his place. New members are Hoyt M. Hammer, Fidelity & Guaranty Fire; R. F. Nelson, Continental and Maryland; A. J. Danziger, U. S. Fire; B. H. Roberts, Fidelity & Guaranty.

### Shirley Advanced to Chicago Post; Goodall to Iowa

Arthur R. Goodall has been appointed Iowa state agent for New York Underwriters, in succession to W. T. Shirley, who has been promoted to the company's general service department in Chicago. He will still be available to assist agents in his old territory as well as in his enlarged field.

Mr. Goodall, who will make headquarters at 416 West Seventh street, Des Moines, is a graduate of the insurance course of Northwestern University, following which he had field and office underwriting experience. He has been traveling for Aetna Fire in Indiana.

Mr. Shirley was transferred to Iowa from the New York head office several years ago. He became a leader in Iowa, serving two terms as head of the State Fire Prevention Association.

### Headquarters at Decatur

State Agent R. H. Gregg of the Crum & Forster companies in Illinois who has lived at Peoria, has opened quarters at 512 Citizens building, Decatur, which will hereafter be his office and the headquarters of Special Agent D. K. Dame. Mr. Gregg has already moved his family to Decatur and Mr. Dame, who is now residing in Rockford, will move as soon as a residence can be secured.

### R. T. Gravenstine Injured

R. T. Gravenstine, Wisconsin state agent Hanover Fire, was seriously injured last week in an automobile accident. He and Francis F. Henze of the Employers Fire were returning to Milwaukee when their car was sideswiped by a truck. Mr. Henze was not injured. Mr. Gravenstine is now recuperating at his home after a week at the hospital.

### Millers National Field Meeting

John T. Harding, Illinois state agent, and D. R. Stephens, Indiana state agent, were re-elected chairman and secretary for the ensuing year at the Millers National fieldmen's conference last week in Chicago. This meeting inaugurated a new idea in so far as Millers National field meetings are concerned, in that with the exception of introductory remarks by officers, all the speakers were fieldmen who spoke on subjects in which they are particularly qualified.

The meeting was postponed one day for the funeral services of President H. M. Giles. During the meeting a resolution was passed to present an embossed memorandum to the family which was drafted by Helen D. Chapman, Wisconsin state agent and Walter R. Putz, Cook county special agent.

### Norwich Union Chicago Roundup

Field men of Norwich Union in the west are holding a conference in Chicago this week. The head office is represented by Hart Darlington, U. S. manager, and K. S. Ogilvie, western manager.

### Fire Prevention Meetings

The South Dakota Fire Prevention Association will inspect Platte, March 15.

Minnesota Fire Prevention Association will inspect Willmar, March 22.

Ohio Fire Prevention Association will inspect Toronto, March 16. J. W. DeCessna of the Royal-L. & L. & G. will make the chief talk at a dinner in the evening.

The Michigan Fire Prevention Association will conduct a survey of Niles

under the auspices of the Niles Association of Insurance Agents, March 22. R. E. Vernor, Western Actuarial Bureau, will make the chief talk.

Homer L. Rubrecht, state agent St. Paul F. & M., will speak at the inspection of Willard O., March 15.

### Chapman Texas Special Agent

Curtis N. Chapman becomes special agent in the Gulf coast field of the Republic of Texas, with headquarters in 603 West Building, Houston. He succeeds A. L. Brooks, Jr., who was transferred to New York as manager of the eastern department. Mr. Brooks served the company in the Gulf coast territory for more than five years. Mr. Chapman has had experience for many years with the Texas fire insurance department, including inside work, rate inspection, and office manager. For several years he has been actuary.

### Paul Rudd's Anniversary

Paul E. Rudd, Milwaukee state agent Aetna Fire, arrived in Milwaukee 26 years ago, March 1, from Toledo. On Feb. 15 he completed 32 years with the Aetna Fire. He was in the Ohio field for the company prior to going to Wisconsin.

### Indiana Field Groups to Meet

The Indiana Blue Goose will hold an initiation meeting April 3 and a golf tournament May 15. The annual meeting of the Indiana Fire Underwriters Association will be held at Lake Wawasee, June 28-29. G. W. Mercier, Hanover, is most loyal gander of the Blue Goose and president of the Underwriters.

### Weaver's Field Enlarged

In addition to traveling Delaware and Maryland outside Baltimore, which had been his territory for several years, Frank T. Weaver as special agent, henceforward will have jurisdiction over both the District of Columbia and Baltimore City for the Hanover and Fulton Fire. He will retain his office with the Baltimore agency of Turner & Thomas.

### Jennings with American

The American has appointed R. L. Jennings as special agent in Michigan assisting State Agent Pearson. His headquarters are at 123 South Grand avenue, Lansing. He has been special agent for the Rhode Island and Merchants and before that was connected with the Michigan Inspection Bureau.

### Rankin Is Elected President

The Southern California Fire Underwriters Association at its annual meeting elected as officers: President, Marshall Rankin; vice-president, R. P. McGuire; secretary-treasurer, R. D. Misner; executive committee, Walter Alair, W. A. Connors, C. E. Curry, E. W. Dunn, J.



## Working Together

As we enter our ninetieth year, we are very proud that over 17% of our agencies have been content to display our name and to sell Glens Falls policies for periods ranging from twenty to eighty-seven years. To them and to all our agents, we freely acknowledge our indebtedness for their loyalty and friendship which have been such a vital factor in our growth and well being. It is our aim to foster and preserve the harmonious working-together of agents and company which has played such a conspicuous and valuable part in our past.

**"Old and Tried"      Organized 1849**

**Glens Falls**

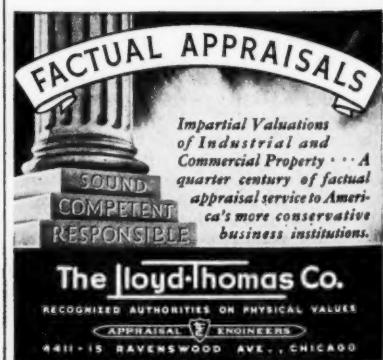
INSURANCE COMPANY



Glens Falls, N.Y.

COMMERCE INSURANCE CO.

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**YOU CAN INCREASE YOUR INCOME in 1938 by stressing liability coverages. Profit making suggestions are published every month in The Casualty Insuror. \$1.50 a year. 175 West Jackson Blvd. Chicago.**

L. Larson, H. W. McKnight, A. R. Moyes, and Clayton Tisdale.

#### E. C. Dargan With Gulf

E. C. Dargan has joined Gulf as special agent in downtown Los Angeles succeeding Bud Irwin. He has been with General of Seattle in southern California. He is a brother of V. C. Dargan, coast manager of Gulf.

#### California Pond Has Gettogether

California Blue Goose held an "old-timers" program at the annual dinner and get-together in Los Angeles. Past most loyal ganders conducted the meeting. B. C. Fischer, agency superintendent National Fire, was chairman of the committee in charge.

#### NEWS BRIEFS

**Harry S. Thomas**, New Orleans special agent North British in Louisiana, rounded out 10 years of successful service. Congratulatory messages flooded his office.

The National Board's "Laboratory at Work," and "Collier's" two advertising motion pictures will be shown at the **Smoke & Cinder Club's** meeting, March 20 in Pittsburgh.

The **Ohio Fire Prevention Association** is distributing small badges to members to be worn at inspections.

**Aaron W. Jones**, Columbus, O., for many years state agent of the New Hampshire, has been seriously ill, but is reported now to be slightly improved.

The annual splash of **Dakota Blue Goose** will be held in Aberdeen March 22.

**F. A. Peterson**, Michigan special agent Hartford Fire and Citizens at Grand Rapids, has moved to 940 Michigan Trust building, Grand Rapids.

## NEW YORK

#### RESIDENTIAL BUILDING GAINS

Residential construction in February rose more than 18 percent over January, as compared with a normal seasonal gain from January to February of approximately 10 percent. For the first three weeks of February residential contracts for the 37 eastern states totaled \$59,270,000 as compared with \$50,095,000 for the corresponding period of January, according to F. W. Dodge Corporation.

#### NEW YORK CITY TRANSIT PLAN

Now that New York City, through the agreed payment of \$175,000,000, has purchased the Brooklyn-Manhattan Transit System, underwriters are speculating as to what its policy will be with respect to insurance coverage. The present schedule aggregates approximately \$65,000,000, including about \$1,500,000 on rolling stock. Johnson & Higgins placed the line as brokers. The policy of New York City has been to carry insurance on municipally-owned properties through the medium of a sinking fund; though insistent that lessees of piers insure with private carriers for the protection of its interest in the event of destruction of the properties by fire. Insurance on the still privately owned Inter-Borough Rapid Transit System continues to be handled by the brokerage firm of John A. Eckert & Co.

The **National Fire & Marine** has opened a Brooklyn branch at 50 Court street with Irving Weinstein as manager. Policies covering the entire metropolitan area will be issued from this office.

#### Protest Sears, Roebuck Move

TOLEDO—Norman E. Moore has opened an office in the Sears, Roebuck & Co., store here and is selling insurance for Allstate and Allstate Fire. This action has been protested to the Ohio department by various insurance interests.

C. F. Carlson and C. D. Friday, **Osceola, Inc.**, agents, have purchased agencies in New Virginia, Woodburn and two agencies in Murray.

## AS SEEN FROM CHICAGO

#### EXAMINERS TO INSPECT FOUNDRY

An inspection tour of the Western Foundry Company, Chicago, will be made March 16, by the Association of Fire Insurance Examiners of Chicago. Arrangements were made by M. E. Bulske, National Inspection Company. The tour will start at 2 p. m. and will be followed by a dinner meeting. At the April meeting officers will be elected. Copies of a talk made last year by C. F. Thomas, manager Western Underwriters Association, are being distributed.

#### WESTERN UNDERWRITERS MEET

The annual meeting of the Western Underwriters Association will be held at the Greenbrier Hotel, White Sulphur Springs, April 18-19.

#### B. K. CLAPP ON CHICAGO VISIT

B. K. Clapp of Atlanta, general manager of the southeastern department of Fire Companies Adjustment Bureau, was in Chicago for several days hobnobbing with the loss superintendents of western departments. Mr. Clapp's jurisdiction includes Tennessee, which is under the jurisdiction of a number of western departments.

#### FARM MANAGERS GROUP MEETS

The managers division of the Farm Underwriters Association, Chicago, met Wednesday in their regular monthly meeting and discussed the recent developments which were brought out at the French Lick meeting held last month.

#### PIGGOTT SUPERVISES LIFE DIVISION

George A. Steele has resigned as life department manager of Rollins-Burdick-Hunter Company, Chicago, and is returning to the east where he formerly operated. Aubrey D. Piggott, who for two years has been outside contact man for all lines, has been given supervision of the life end as well. He continues in his general production capacity. Alfred F. Foskett, who has charge of the accident and health department, assisting in life insurance, and C. C. Carlson, assistant in the life and accident and health department, continue in these capacities.

#### WILL DEVELOP CHICAGO PLAN

The Chicago acquisition cost situation is simmering with no important developments. A committee from the Chicago Insurance Agents Association is working on a new plan that it will propose when it has been ratified by the membership. The members have taken it for granted that the so-called Palmer plan, which was the one that has been discussed, is out of the running. Some of the agents feel that it would be impossible to agree on any plan and in that case it is predicted that Insurance Director Palmer of Illinois will set a maximum expense ratio.

#### MEN OVER 40 CLUB

A year or so ago the "Reader's Digest" published an article about the work of "Men Over Forty Club" in one of the eastern cities wherein members sought to secure positions for their fellows who had been successful but were over 40 and were prejudiced because of age. Fifty Chicago business executives have organized the "Men Over Forty Club of Chicago," all men who have earned \$4,000 or more a year, every one with an unblemished business record, each now without a business connection and each over 40 years of age. The members have pooled their labors, experience and intelligence in a self-organized, self-sponsored, self-managed and self-sustaining organization. The primary and immediate purpose is to obtain connections for its present members. It is undertaking the additional task of combating all prejudice against the man over 40 in business and industry. It has opened quarters at Room 826, Daily News building. When a member secures a position he then becomes an

alumnus and some one is selected to fill the vacancy. These members go to employers, find out their wants and then call attention to a fellow member who can fill the bill.

#### MAXWELL HEADS MARINERS

R. L. Maxwell, Home, was elected skipper of the Mariners Club of Chicago. First mate is E. H. Follingstad, Fidelity & Guaranty, and purser is M. H. Plotnick, Fireman's Fund. R. W. Krautlein, America Fore, was elected yeoman.

#### MAKES WILD STATEMENT

G. F. Anderson, who conducts the "According to Law" department of the magazine, "Real Estate," makes a rather sweeping statement in the March 4 issue in which he says, "I came to the conclusion that there were some companies that could not pay out on a considerable loss. I called on an insurance man and he said there were a lot of companies which would be in trouble if called on to pay a \$1,000 loss." That is so boldly and baldly a mistake that if any insurance man made such a statement his li-

cence should be immediately canceled. There may be a few companies of the assessment type that are skating on thin ice. Mr. Anderson does give one good piece of advice when he urges all producers to buy the Argus Chart issued by THE NATIONAL UNDERWRITER, which gives full figures on companies so that they can tell their financial condition.

**S. B. Komalko** of Komalko & Co., is in New York this week visiting the companies which he represents. Mr. Komalko is making this trip in March for the first time in many years. It has always been his custom to make this trip in December, but this past year he was unable to do so.

#### Ask Quiz of Wisconsin Department

A resolution has been introduced in the Wisconsin legislature by Representative Trego of Merrill, asking for a joint legislative investigation of the Wisconsin department. The resolution asserts that charges have been made that Commissioner Mortensen has operated the department in an arbitrary, discriminatory, capricious and biased manner and that there have been rumors of lack of harmony between the commissioner and his subordinates and favoritism for some insurance companies. Mr. Mortensen's term expires June 30. He said that he would welcome the investigation.

## If it's Income You Want—

Which, of course, it is  
—let us recommend

that you consult our field man covering your territory. His objective is to help you add to your commission account. That he has done well is shown in the records of the past. He has aided our local agents in developing that rich mine of potential increases—the accessory lines. Ignoring the tripling of fire insurance premiums since the turn of the century, we find that our agents are today writing as much on accessory lines as they did in total business in 1900—and they are writing a higher percentage of these sidelines than is true of the business as a whole. Let our field man talk with you about what it means to represent this second oldest company in the business in this country.



*The Insurance Company of  
the STATE of PENNSYLVANIA*  
CHARTERED IN 1794  
PHILADELPHIA, PA.

# Stock Premiums and Losses in 1938

**STOCK FIRE, 1938 NET PREMIUMS AND PAID LOSSES, ACCESSORY LINE**

Fire	Motor Vehicle		Ocean Marine		Inland Navigation		Tornado		Aircraft		Sprinkler Leakage		Earthquake		Riot, Civil Com. & Exp.		Hail on Growing Crops		Rain, Flood, Water Dam, Frost & Freeze and Misc.			
Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	
12,131,717	3,475,336	5,408,259	3,059,462	954,093	629,498	1,326,854	495,345	1,076,797	545,538	Aetna	52,719	22,461	45,009	6,625	15,714	229,713	31,673	167,983	389,271	18,526	13,248	
3,824,460	5,119,182	1,098,636	462,745	359,704	236,705	156,163	65,277	236,543	153,171	Agricultural	13,889	6,276	4,279	5,823	9,508	34,699	23,923	.....	.....	.....	.....	
388,000	159,756	87,294	59,101	.....	.....	142	5	77,295	48,558	Albany	964	9	417	246	1,237	5,842	215	.....	.....	.....	.....	
1,079,229	418,754	106,477	54,844	.....	.....	142	5	77,295	48,558	Alemannia	61	2,656	699	6,342	24,711	6,180	17,116	6,407	.....	.....	.....	
1,484,100	531,918	253,157	115,212	161,315	108,507	234,839	101,011	107,384	49,414	Alliance, England	5,161	1,650	2,028	1,041	7,732	2,748	2,466	4	37,931	7,974	69,675	44,167
98,505	26,997	68,760	10,594	.....	.....	.....	.....	4,117	378	Allied, N. Y.	422	422	422	422	422	422	422	422	422	422	422	
.....	554,047	171,077	.....	.....	.....	.....	.....	.....	.....	Amer. Alliance	5,034	2,471	5,965	2,423	4,783	—179	21,000	2,370	83,796	57,051	5	
1,453,634	569,697	133,179	68,100	.....	.....	68,895	33,292	125,480	58,129	Amer. & Foreign	2,555	1,292	2,497	1,481	919	2,278	333	487	368	.....	.....	
406,842	215,794	85,920	45,053	367,996	253,133	106,371	45,911	30,706	19,966	Amer. Auto. Fire.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
1,669,253	626,753	297,185	141,790	.....	.....	82,716	34,886	148,324	96,148	Amer. Central	5,706	3,076	2,610	11	6,472	1,889	.....	.....	.....	261	6	
388,342	127,528	.....	.....	.....	.....	.....	.....	.....	.....	Amer. Druggists	2,107	2,051	9,013	3,936	5,551	25,918	2,106	41,701	29,076	13,599	1183	
2,060,604	754,883	234,080	87,844	188,827	131,385	165,681	47,568	114,786	56,939	Amer. Eagle	260	—1	13,062	4,323	12,878	2	13,729	1,790	31,706	29,442	*131462	*37455
3,756,200	1,489,743	329,265	171,117	57,838	40,204	16,992	8,618	177,208	101,768	Amer. Equitable	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
47,491	10,793	361,279	94,099	.....	.....	294	.....	2,160	.....	Amer. Fire & Cas.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
45,418	12,984	2,171	1,855	.....	.....	.....	.....	8,667	2,285	Amer. Fire, D. C.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
.....	467,754	181,136	.....	.....	.....	.....	.....	.....	.....	Amer. General	7	1,642	737	409	—282	869	.....	25,162	13,041	.....	.....	
658,090	312,170	218,150	140,831	.....	.....	52,415	20,793	47,586	9,343	Amer. Home	7	1,642	737	409	—282	869	.....	25,162	13,041	.....	.....	
137,317	46,390	1,594,364	646,168	.....	.....	.....	.....	25,956	14,740	Amer. Indemnity	7,633	7,463	19,496	7,514	9,827	103,912	11,410	199,564	81,704	21,484	128,154	
8,833,882	3,529,857	974,534	684,689	544,358	373,995	1,205,365	608,589	1,639,099	512,173	Amer. N. J.	222	8,885	1,777	9,947	18,186	245	27,278	30,714	.....	.....	.....	
2,704,100	1,396,965	52,681	24,199	105,590	57,859	31,092	14,999	104,104	39,243	Amer. Reserve	505	115	—65	17	44	8,449	195	.....	.....	.....	.....	
.....	1,985,975	869,444	.....	.....	.....	.....	.....	26,360	16,730	Amer. States	353	30	1,137	65	660	4,729	142	.....	.....	.....	.....	
274,579	83,275	.....	.....	.....	.....	.....	.....	.....	.....	Amer. Union	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....		
381,874	147,060	83,472	41,679	39,159	41,584	99,161	47,729	21,426	15,766	Anchor	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....		
.....	738	51,721	10,872	.....	.....	.....	.....	362	27	Associated F. & M.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....		
24,309	3,082	.....	.....	.....	.....	.....	.....	.....	.....	Atlantic City	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....		
2,041,519	839,098	458,292	310,280	193,531	79,379	151,713	108,152	125,156	93,663	Atta Assur.	5,060	46	2,187	1,292	6,493	30,697	1,127	.....	.....	.....	.....	
6,423,077	7,078,789	2,863,805	1,071,307	694,084	1,067,864	2,430,583	844,498	365,036	254,591	Automobile, Conn.	33,941	19,951	11,771	5,276	6,643	98,301	12,301	1,392	233	.....	.....	
876,434	426,671	14,105	23,281	.....	1	.....	30,079	11,551	.....	Baltica	20	10	2,362	1,046	4,075	7,237	1,492	14	12	*7,150	*693	
1,627,689	659,652	302,894	235,212	22,474	15,015	105,668	35,776	126,585	87,576	Baltimore Amer.	12,533	5,147	2,598	19	29,721	5,522	3,062	1,222	.....	.....		
6,107	1,964	6,639	2,850	.....	16	49	.....	.....	Baltimore Natl.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....		
1,638,913	601,921	1,813,981	1,007,811	10,147	519	56,827	16,705	145,348	59,839	Bankers & Shippers	3,288	476	6,443	1,234	4,016	29,692	855	.....	.....	.....		
4,132	137	267	2	.....	.....	362	27	362	27	Bankers F. & M.	3,060	195	5,817	115	31,948	621	.....	.....	.....	.....		
259,540	109,601	29,858	10,970	.....	247	704	17,178	6,899	.....	Bankers, N. C.	3	4	1,049	504	938	49	1,326	231	3	*7,650	*41	
70,982	15,047	86,913	44,565	.....	22,104	8,539	96	.....	Birmingham, Ala.	.....	.....	—119	18	.....	.....	.....	.....	.....	.....	.....		
2,918,526	1,156,087	543,128	223,277	785,373	532,552	303,130	125,138	266,392	108,101	Birmingham, Pa.	21,272	11,570	9,822	5,337	2,229	8,269	6,830	5,319	884	.....		
506,851	227,469	45,773	28,325	.....	27,572	11,629	93,280	39,466	30,757	British America	1,132	1,225	3,335	5,219	10	15,871	3,029	8,558	4,146	.....		
.....	11,850	3,677	3,677	465,529	321,780	17,945	18,531	35,337	25,337	British & Foreign	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....		
276,437	104,533	51,336	24,503	27,572	11,829	25,377	16,591	16,591	16,591	British General	980	531	444	2,109	326	44	44	1	1	1		
62,771	5,468	.....	.....	.....	.....	.....	.....	.....	.....	Buffalo	3,060	195	5,817	115	31,948	621	.....	.....	.....	.....		
1,845,259	67,209	212,434	84,498	12,396	20,183	33,121	13,925	72,995	29,544	Caledonian-Amer.	688	10	470	444	279	2,864	594	.....	.....	.....		
251,174	89,285	.....	.....	.....	.....	.....	.....	10,289	7,163	Caledonian	5,248	1,424	3,615	938	7,036	10,924	2,067	.....	.....	.....		
1,050,330	426,501	282,293	164,902	36,809	5,652	15,687	1,352	55,396	40,281	California	3,585	1,937	1,635	7	4,054	1,189	162	.....	.....	.....		
1,047,938	303,911	187,084	89,236	.....	.....	27,572	11,629	93,280	30,351	Camden	400	374	9,093	2,192	3,934	11,367	6,488	44,138	38,615	.....		
3,291,842	1,285,670	1,517,206	779,303	140,705	136,732	318,438	138,935	295,451	143,959	Canadian Fire	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....		
81,072	24,577	20,564	38,241	17,942	6,511	506	173	8,623	2,628	Canadian	450	1	1,230	46	—179	2,333	1	.....	.....	.....		
226,055	30,163	29,579	11,360	.....	8,623	2,254	20,628	1,622	2,021	Central	5,855	1,757	707	15	8,976	1,455	154	.....	.....	.....		
14,750	7,347	.....	.....	.....	27,572	11,629	32,744	7,565	7,565	Central Surety Fire	124	6	—291	6	1,915	154	154	.....	.....	.....		
457,733	155,459	224,366	202,400	.....	27,572	11,629	32,744	7,565	7,565	Century	3,914	2,015	6,515	3,220	8,251	36	1,675	1,675	229	1,401		
74,886	231,579	126,559	35,391	155,807	25,256	18,253	90,586	40,364	46,376	Christiana Genl.	3,914	2,015	6,515	3,220	8,251	36	1,675	1,675	229	1,401		
1,251,930	381,623	230,381	91,360	34,456	18,118	21,845	5,768	117,741	41,690	Church Prop.	2,102	187	8,010	3,555	2,750	10,186	12,578	8,199	5,803	.....		
3,422,963	1,252,353	430,137	214,064	275,761	127,766	52,010	191,379	313,278	135,651	Congcordia	517	1,271	6,477	4,933	2,388	238	1,571	73	36	10		
13,338,692	1,588,275	1,426,192	426,636	781,691	491,630	723,725	250,310	1,133,762	787,193	Connecticut	14,854	8,115	13,448	6,572	3,272	5,281	6,572	3,222	41,724	34,468		
347,173	128,610	27,060	13,623	.....	13,825	6,671	28,846	11,622	21,285	Continental	7,225	7,002	47,106	14,300	38,373	8,884	52,386	504,793	3,305	3,305		
45,576	7,101	65,664	46,734	1,039	70	4,179	31	5,154	5,154	County, Pa.	1,007	494	1,621	1,433	—35	5,276	598	16,759	11,410	2	2	
62,655	251,230	53,696	27,444	21,461	11,393	22,747	10,895	21,286	6,596	Dearborn Nati.	5	5	—51	43	43	43	43	43	43	*1,716		
186,685	74,316	20,735	14,568	21,461	11,393	22,747	10,895	21,286	6,596	Dixie	42	42	415	160	209	1,979	243	4,246	1,738	4,273		
1,769,757	615,677	986,676	471,327	1,074																		

†) Supplemental Contract. \*) Includes Supplemental Contract.

## STOCK FIRE, 1937 NET PREMIUMS AND PAID LOSSES, ACCESSORY LINES

Firs	Motor Vehicle		Ocean Marine		Inland Navigation		Tornado		Aircraft	Sprinkler Leakage	Earthquake	Riot, Civil Com. & Exp.	Hail on Growing Crops	Rain, Flood, Water Dam, Frost & Freeze and Misc.	
Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Prem.	Prem.	Prem.	Prem.	
488,966	171,048	448,733	403,361	56,170	14,872	30,295	8,938	Georgia Home	5,854	1,756	1,158	15	8,390	1,869	
838,704	279,277	448,733	404,301	63,749	19,847	56,149	24,061	Gibraltar F. & M.	5,851	1,764	1,893	20	16,761	2,791	
1,251,936	381,623	230,281	91,360	35,465	18,118	21,845	5,769	Girard F. & M.	1,271	447	1,493	238	1,571	73	
4,008,597	1,442,021	1,146,430	569,779	688,608	449,603	432,678	151,781	Glens Falls	6,774	2,849	11,366	4,638	9,495	4,814	
2,165,984	859,064	189,363	98,673	31,296	26,624	9,732	4,850	Globe & Republic	150	—	7,532	2,493	7,426	11	
1,171,261	531,927	341,423	192,392	256,382	174,929	112,832	51,526	Globe & Rutgers	139	691	3,850	1,747	1,745	1	
1,056,162	429,597	118,436	56,602	53,281	32,196	53,281	32,196	Granite State	4,269	4	1,766	474	33	9,483	
9,593,458	3,696,969	1,024,351	531,066	342,234	293,044	535,800	259,254	Great American	39,262	19,272	31,801	15,216	20,942	—1,412	
54,067	19,557	13,011	5,104	1,717	170	206,423	96,925	Great Eastern	5	—	—	76	—	—	
1,111,299	349,807	676,753	256,347	—	—	—	—	Gulf, Tex.	—	382	189	3,593	52,168	22,871	
568,033	205,756	—	—	—	—	33,278	8,803	Halifax	—	11,713	3,504	563	20	10,502	2,285
99,360	29,911	27,894	24,512	—	—	1,762	520	Hamilton	—	77	89	—	—	91	—
3,326,711	1,302,779	1,010,953	584,186	317,931	213,859	148,120	65,486	Hanover	5,550	6,349	6,053	699	6,666	67,423	6,729
22,832,332	8,501,202	5,515,556	2,186,266	816,260	562,465	2,044,454	1,095,404	Hartford	44,271	22,139	74,989	23,344	17,037	447,424	736,287
1,675,905	583,099	—	—	252,032	156,805	235,465	114,368	Home F. & M.	2,356	168	4,021	2,286	5,415	28,038	2,188
422,627	20,520	17,495	2,764	—	—	1,231	459	Home, Hawaii	—	17,495	802	5	—	—	—
24,647,575	9,467,228	16,234,775	13,093,855	814,296	591,489	1,725,985	1,127,136	Home, N. Y.	213,816	79,874	52,679	1,410	491,185	43,041	218,479
594,603	229,624	191,587	115,807	—	—	65,106	31,049	Homeland	199	10	688	1,424	64	2,830	623
596,747	194,818	448,733	403,361	22,632	6,265	71,797	19,537	Homestead	—	5,851	1,767	1,282	15	11,963	1,973
21,451	7,172	341,726	160,067	—	—	—	—	Illinois Cas.	—	—	—	—	—	—	—
35,830	25,834	701,832	254,537	—	—	—	—	Illinois Fire	—	—	—	—	—	—	—
722,622	264,242	106,210	53,945	—	—	19,101	7,583	Illinois Nat. Cas.	7,202	3,676	2,717	696	1,521	2,159	372
—	—	—	—	224,646	147,193	113,586	47,763	Imperial	—	—	—	—	—	—	—
99,518	26,596	703,764	347,575	—	—	3,840	634	Indem. Marine	—	—	—	—	—	—	—
13,192,000	4,728,157	2,250,288	1,024,110	2,365,955	1,518,106	3,444,308	1,481,498	Indiana Co. of N. A.	28,735	15,225	68,726	24,425	21,921	36,337	167
1,287,318	448,713	284,180	130,218	—	—	27,835	135,657	Ind. Co. of Pa.	1,973	—	—	—	—	—	—
1,362,943	703,076	36,587	17,896	—	—	833,155	340,549	Ind. Co. of Pa.	42	4,050	1,904	4,257	10	5,186	1,876
2,105,347	766,562	301,643	61,954	—	—	112,904	38,562	International	626	5,303	1,196	10,109	26,768	8,596	181,062
—	—	819,280	259,903	—	—	—	—	Inter-Ocean Reins.	—	—	—	—	—	—	—
77,280	35,007	14,153	5,243	—	—	—	—	Inter-State	—	—	—	—	—	—	—
102,727	26,665	—	—	—	—	—	—	Iowa Fire	—	—	—	—	—	—	—
519,858	207,432	63,261	29,269	—	—	2,083	329	Jersey of N. Y.	1,792	445	8,859	1,106	3,688	18,170	824
170,561	89,428	66	15	—	—	534	5	Jupiter General	17	72	251	158	1,226	168	1,859
3,795	163	—	—	—	—	—	—	Kansas City F. & M.	18	5	313	3	695	1,277	—
5,835,954	2,361,930	899,660	452,063	126,362	68,067	317,086	123,485	Keystone Auto. Fire.	114	—1	5,720	1,893	5,640	6,012	784
2,009,189	790,834	504,929	244,721	666,594	411,930	286,227	122,104	Knickerbocker	—	—	—	—	—	—	—
2,380,196	940,150	488,990	242,282	54,226	39,813	235,116	117,186	La Fayette	347	513	454	104	185	3,565	323
237,560	98,829	38,919	18,746	—	—	6,257	2,533	Law, Union & Rock.	4	647	139	2,321	711	105	—
236,483	81,609	30,874	18,820	—	—	351	20,226	Lincoln, N. Y.	—	—	—	—	—	—	—
5,064	1,925	23,958	9,178	—	—	337	62	Lincoln	4	—	—	9	—	—	—
775,490	291,528	313,757	—	39,897	—	40,248	27,120	Lincoln Fire.	30,482	14,119	34,487	16,184	15,412	38,535	3,642
595,097	221,270	140,947	76,288	—	—	3,189	335	London & Lanc.	5,860	1,929	4,509	2,366	2,091	2,091	166
60,446	9,470	71,809	15,750	—	—	432	136	London & Lanc.	—	—	—	—	—	—	—
—	—	256,402	154,700	612,677	381,184	602,643	162,350	London & Rock.	30,482	14,119	34,487	16,184	15,412	38,535	3,642
202,727	26,665	—	—	—	—	—	—	London & Rock.	—	—	—	—	—	—	—
519,858	207,432	63,261	29,269	—	—	2,083	329	London & Rock.	347	513	454	104	185	3,565	323
170,561	89,428	66	15	—	—	534	5	London & Rock.	4	647	139	2,321	711	105	—
3,795	163	—	—	—	—	—	—	London & Rock.	—	—	—	—	—	—	—
5,835,954	2,361,930	899,660	452,063	126,362	68,067	317,086	123,485	London & Rock.	—	—	—	—	—	—	—
2,009,189	790,834	504,929	244,721	666,594	411,930	286,227	122,104	London & Rock.	—	—	—	—	—	—	—
2,380,196	940,150	488,990	242,282	54,226	39,813	235,116	117,186	London & Rock.	—	—	—	—	—	—	—
237,560	98,829	38,919	18,746	—	—	6,257	2,533	London & Rock.	—	—	—	—	—	—	—
236,483	81,609	30,874	18,820	—	—	351	20,226	London & Rock.	—	—	—	—	—	—	—
5,064	1,925	23,958	9,178	—	—	337	62	London & Rock.	—	—	—	—	—	—	—
775,490	291,528	313,757	—	39,897	—	40,248	27,120	London & Rock.	—	—	—	—	—	—	—
595,097	221,270	140,947	76,288	—	—	3,189	335	London & Rock.	—	—	—	—	—	—	—
60,446	9,470	71,809	15,750	—	—	432	136	London & Rock.	—	—	—	—	—	—	—
—	—	256,402	154,700	612,677	381,184	602,643	162,350	London & Rock.	—	—	—	—	—	—	—
202,727	26,665	—	—	—	—	—	—	London & Rock.	—	—	—	—	—	—	—
519,858	207,432	63,261	29,269	—	—	2,083	329	London & Rock.	—	—	—	—	—	—	—
170,561	89,428	66	15	—	—	534	5	London & Rock.	—	—	—	—	—	—	—
3,795	163	—	—	—	—	—	—	London & Rock.	—	—	—	—	—	—	—
5,835,954	2,361,930	899,660	452,063	126,362	68,067	317,086	123,48								

## FIGURES FROM DEC. 31, 1938 STATEMENTS

Assets	Changes in Assets	Reins. Res.	Changes in Reins. Res.	Capital or Stat. Dept.	Surplus	Changes in Surplus	Net Prem.	Losses Paid	Loss Ratio %
Allstate Fire, Ill. ....	977,209	+ 164,973	258,979	+ 48,924	300,000	+ 265,675	+ 38,401	1,042,928	30.9
Amer. Equitable, N. Y. ....	9,824,494	+ 761,454	4,681,355	+ 251,331	1,000,000	3,396,613	+ 528,112	4,540,606	41.0
American, N. J. ....	29,752,400	+ 736,744	12,083,301	+ 101,278	3,343,740	10,857,420	+ 814,872	13,049,153	45.5
Baltic, N. J. ....	2,305,384	+ 22,179	929,927	- 69,659	200,000	984,291	+ 36,560	914,475	46.7
The Century ....	3,625,193	- 213,179	1,431,961	- 209,425	400,000	1,153,666	+ 123,348	1,633,188	63.6
Columbia, N. J. ....	3,132,682	+ 79,921	504,579	+ 5,202	1,000,000	1,542,126	+ 71,947	522,831	232,167
Columbia, N. Y. ....	3,382,616	+ 45,200	733,713	+ 5,636	1,000,000	1,438,343	- 38,783	633,545	269,132
Commerce, N. Y. ....	4,163,968	+ 222,556	1,434,568	+ 35,863	1,000,000	1,494,216	+ 172,541	1,416,638	595,075
Dixie Fire ....	2,066,943	+ 123,576	262,726	- 87,738	1,000,000	750,218	+ 215,004	258,977	42.0
Eagle Fire, N. J. ....	2,440,545	- 198,874	971,660	- 125,849	815,000	387,853	- 77,915	905,566	44.8
Equity Fire, Mo. ....	1,109,467	- 44,171	81,670	- 153,143	200,000	758,803	+ 113,309	57,526	62.7
Fid. & Guar. Fire, Mo. ....	7,019,521	+ 418,344	3,609,991	+ 207,855	1,000,000	1,841,556	+ 282,156	4,302,570	39.5
First Ky. Fire ....	193,830	+ 15,883	....	....	....	71,916	+ 15,113	6,377	2,102
French Un. & U. N. Y. ....	1,329,703	- 103,091	463,159	- 26,331	200,000	583,734	- 12,782	413,756	235,662
Fulton Fire, N. Y. ....	1,418,703	+ 19,620	....	....	1,000,000	401,818	+ 56,212	....	1,995
Fuso M. & F. ....	737,581	- 1,767	26,690	+ 505	200,000	347,496	+ 4,574	84,303	61,694
Genl. Schuyler Fire, N. Y. ....	471,848	+ 12,325	54,326	+ 11,315	200,000	205,864	+ 6,232	53,530	34.3
Glens Falls ....	19,129,672	+ 3,225,232	6,784,285	+ 222,645	2,500,000	7,665,902	+ 1,074,082	6,697,815	2,796,485
Globe & Republic, N. Y. ....	5,753,796	+ 463,026	2,698,700	+ 144,727	1,000,000	1,681,180	+ 335,654	2,616,183	1,083,991
Hanover Fire ....	16,224,756	+ 696,903	4,968,102	+ 162,388	4,000,000	5,704,764	+ 491,716	5,233,928	2,399,426
Imperial Assurance ....	4,228,205	+ 10,743	975,333	+ 7,908	1,000,000	1,993,744	+ 6,864	913,327	359,897
Indiana ....	1,145,829	+ 122,354	434,897	+ 10,065	200,000	203,020	+ 41,931	858,165	402,854
International, N. Y. ....	6,377,833	+ 452,445	1,551,825	- 68,412	1,000,000	3,407,578	+ 526,254	1,621,988	881,791
Jupiter General ....	747,161	- 60,791	267,587	- 30,532	200,000	217,854	- 49,954	183,494	157,841
Knickerbocker of N. Y. ....	4,681,381	+ 302,047	2,049,258	+ 109,824	1,000,000	1,325,000	+ 273,996	1,986,714	823,230
Merch. & Manufacturers ....	4,065,130	+ 668,217	1,605,556	+ 86,103	1,000,000	1,207,177	+ 566,508	1,475,379	653,100
National F. & M., N. Y. ....	1,623,507	238,041	....	....	1,000,000	241,165	- 35,778	397,982	78,900
New York Fire ....	6,075,402	+ 471,477	2,322,932	+ 124,575	1,000,000	2,433,795	+ 369,526	2,251,905	933,055
Pa. Indemn. Fire ....	725,119	+ 50,501	174,877	+ 9,853	200,000	277,522	+ 600	326,870	115,033
Pacific Coast Fire ....	1,462,558	- 38,803	450,577	- 69,095	400,000	490,000	+ 45,893	490,106	303,820
Pacific Natl. Fire, Cal. ....	6,921,129	+ 867,522	4,000,764	+ 845,154	1,250,000	1,116,177	- 112,791	4,319,821	1,652,774
Phoenix Assur., N. Y. ....	7,347,958	- 118,542	3,317,830	+ 32,428	400,000	2,983,160	- 142,711	3,056,504	1,204,425
Preferred Risk Fire, Kan. ....	742,047	+ 23,391	313,326	+ 20,339	413,326	205,779	+ 13,611	347,185	161,020
Reinsurance Corp., N. Y. ....	7,096,806	+ 1,189,457	302,478	+ 277,893	1,530,000	4,925,656	+ 624,348	704,351	183,261
Royal Exchange ....	4,865,725	+ 283,199	2,488,044	+ 158,548	400,000	1,350,548	+ 67,743	2,808,366	1,273,497
Sussex Fire, N. Y. ....	1,711,741	- 23,644	306,086	+ 16,140	1,000,000	344,738	- 44,451	294,365	121,387
Skandinavia ....	2,069,391	+ 10,071	818,525	- 630	200,000	849,068	+ 24,503	781,629	402,676
St. Paul F. & M. ....	41,622,690	+ 1,973,597	9,292,458	- 11,395	4,000,000	24,925,552	+ 1,615,970	11,830,690	5,520,816
Union & Phenix Espanol ....	1,608,077	- 79,102	654,350	- 69,207	200,000	584,185	+ 10,092	557,056	305,360
Union M. & G. ....	2,972,577	+ 176,781	507,891	- 13,350	400,000	1,646,087	+ 185,356	575,033	266,329
United Firemen's of Phila., N. Y. ....	4,019,808	+ 20,547	979,197	+ 7,758	1,000,000	1,471,306	+ 38,602	909,479	360,328
Urbana Fire ....	1,458,902	- 151,236	463,190	- 26,426	200,000	671,531	- 55,769	413,743	235,241
Utah Home Fire, Utah. ....	1,574,532	+ 122,410	399,992	+ 33,390	600,000	489,663	+ 63,173	414,468	157,676

<sup>1</sup>All business reinsured.<sup>2</sup>Reinsurance reserve, unearned premium reserve, 1938, \$343,126; 1937, \$186,731.

## Hail Adjusters Hold Annual Session in Wichita

The annual adjusters conference of the Western Hail & Adjustment held in Wichita for two days was attended by over 200, including many women from hail offices and hail and farm managers and secretaries from the western department offices of member companies. V. B. Higbee, Hartford farm and hail special agent, Wichita, presided.

Open forum discussions followed many talks and a question box was conducted. John Cooper, special agent Rain & Hail Bureau, Wichita, analyzed the hail policy. Cooperation by company representatives and adjusters was treated by W. G. Studebaker, Topeka, qualification and duties of adjusters by L. D. Anderson, special agent hail department, Great American; adjusters' work sheets and handling of claims by W. N. Moore, farm special agent

America Fore, Wichita; appraisal and proving up on claims by W. L. Edwards, Great American special agent, Clyde, Kans.

Wheat rust was the subject of Prof. L. E. Melchers, Kansas State College, Manhattan; loss clearing house was discussed by J. E. Stevenson, manager Rain & Hail Bureau, Wichita; how the hail business appears to a young man by J. F. Wilhoit, special agent America Fore, Springfield, Mo.; cotton adjusting by special agent Ziegler of Oklahoma and J. E. Stevenson, and E. H. Fikes, farm special agent Home of N. Y., Topeka, gave the closing address.

## Six Weeks Pacific Coast Trip

Boarding a plane on Friday, H. C. Stoll, inland marine manager, Millers National, left Chicago for Los Angeles on a six-weeks trip to the Coast. Mr. Stoll, with Manager H. M. Dinsmore, Pacific Coast department, will cover the key points in the Coast territory in the

## Withdraw Rates, Rules for Full War Cover Insurance

The Explosion Conference has withdrawn the rate and rules applicable to full war cover insurance. The executive committee ruled that any war risk insurance written or bound hereafter shall be subject to rates and forms to be soon promulgated. Under the rules that are now rescinded full war cover insurance was written at 10 percent of the riot rate. It is understood that some of the companies discovered that they were getting committed for a lot of war risk insurance along the eastern seaboard and found they were taking on a large liability for very small premium.

interest of the inland marine department.

W. J. Tipper, assistant western manager of Aetna Fire, is returning this week from a month's sojourn in Florida.

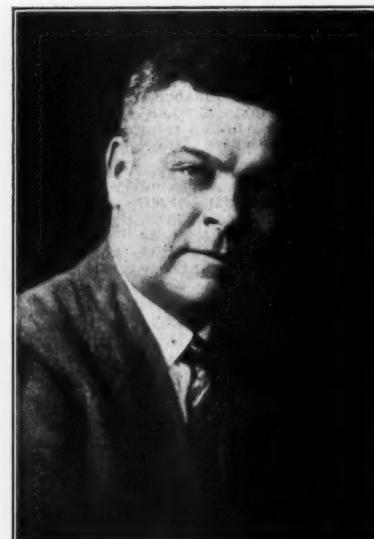
## PROMINENT AT MINNESOTA AGENTS MIDYEAR CONVENTION



A. B. CASWELL, Minneapolis State President



W. B. CALHOUN, Milwaukee Former National President



JOHN H. EGLOF, Hartford Supervisor Field Service, Travelers



W. HERBERT STEWART, Chicago Chairman of Board, Illinois Agents

## Louisville Judge Defines Fire Taxes

What is purported to be one of the clearest exposition on the fundamentals of fire insurance taxation was handed down recently by Judge Humphrey of Louisville in overruling a demurrer of the City of Louisville to a bill to enjoin collection of 2 percent tax on fire premiums for firemen's pensions from insurance companies. In overruling this demurrer Judge Humphrey said:

"Fire insurance like all insurance is based on risk experience plus loading. Tax is part of the loading. Leaving for a moment the confusion of tax jargon—ad valorem, income, license, franchise or privilege—this tax, if it continues, will require those who insure their property to pay a disproportionate burden to support the fire department.

## Assured Constitute a Class

"Those who insure their property are a class. . . . The support of the fire department is a public purpose. . . . But those who insure their property are a special class—the fire department is a special public purpose. The classification challenged as to reasonableness is the classification of property owners into those property owners who insure and those who do not insure, and require those who insure to pay disproportionately for a special public purpose, bearing no natural relationship to the divisions into groups—insured and not insured.

"What I do not see is how property owners can fairly be divided into those who insure and those who do not insure so as to require those who do insure to pay more for the fire department than those who do not insure. There is no relation in point of benefit of insured property owners toward the fire department which relation does not exist to benefit inuring to uninsured property owners. The insured owner gets exactly the same benefit from the fire department. The special benefit secured by the insured owner is not the fire department but the insurance. But as the insured owner paid for his insurance, I do not think he should also be required to pay for the fire department."

While decisions upholding this attitude have been handed down in courts in other states, this is said to be the best exposition on the matter. The City of Louisville in seeking a demurrer on enjoining action filed by interested insurance companies declared that the companies are the real parties at interest.

## Report Is Made to Claims of Finance Companies

John H. Lloyd of the Lloyd agency, South Bend, Ind., writes as follows, prompted by the article in the March 2 edition "Position of Finance Companies Is Set Forth":

"Your article, 'Position of Finance Companies Is Set Forth,' written by sympathetic interests of finance companies is just another smoke screen for finance companies to hide behind.

"When the financing of automobiles was in its infancy, I was one of the unfortunate insurance executives to be brought into the picture. It was necessary to provide insurance against fire and theft, and in some cases collision, and conversion insurance against the car being sold by the owner before it was paid for. That is about all the coverage that finance companies thought they required. Later, we found that many cars would be damaged to such an extent by collision that the purchaser could not afford to pay for the repairs and keep up the payments. The car, therefore, would go back to the dealer and he was stuck for the unpaid balance, because he had sold to the finance company the unpaid balance with a recourse agreement attached. Ninety percent of the time the purchaser had not a dime that could be attached, his only assets being his equity in the car.

### Single Interest Collision

"I then found it necessary to provide insurance to protect the dealer against such losses and I wrote the first single interest collision contract to protect the dealer and finance company. Our losses under this contract soon ran far in excess of the premium at \$5 per car. This preamble just to let you know that I do know something about insurance on financed cars. Therefore, let us face facts.

"We concede the finance company interests are the largest when the insurance attaches. Finance companies never at any time let the insurance take care of itself. They were always protected under a master policy for almost every insurable obligation. Seldom, if ever, were agents allowed to write insurance policies on any car financed. A certificate was issued against a master policy, insurance may have been offered by clubs and associations to care for the risk, but this would be excess. The purchaser's insurance charge was figured in the finance charge at the rate prescribed by the master policy, each territory having a specific flat charge. Therefore, I pass the lie about having to pass on the acceptability of hundreds of insurance companies, or whether the premiums had been paid. Finance companies seldom suffered, but the purchaser and dealer often suffered. Therefore the public interests required correction because they were not being properly protected which was sufficient reason for the many states making it compulsory for the purchaser to have in his possession a policy of insurance written at rates published in each territory in each state, and on a form of policy acceptable to the state.

### Reciprocal Deals Investigated

"Investigations were made of many reciprocal insurance companies that functioned within the finance companies who were supposed to grant protection to the purchaser, on a basis that would pay any fire or theft loss on the depreciated value of the car. This was not the case in the old days. The running mate reciprocal insurance companies had a clause in their contract that reduced monthly, the amount of the fire and theft coverage in the amount of each monthly payment. Therefore a purchaser might have a total fire or theft loss in the eleventh month of a 12 month contract and find that all of the insurance he had on a \$1,000 car was \$25 or \$50.

Many of these companies had to clean house. They were compelled to provide proper insurance. The result was re-insurance of outstanding obligations, the forming of a stock insurance company with capital and surplus or the purchase of companies willing to sell their charter.

"Finance companies have made it possible for many people to own cars. Therefore to a certain extent they have made it possible for larger factory production. We won't question that. What the average insurance agent is taking issue with is the fact that they are being discriminated against by most of the finance companies and banks who finance cars.

"In every fire and theft policy in the declarations is this question which must be answered: 'The automobile described is fully paid for by the insured and there is no lien, mortgage, or other encumbrances thereon, except as follows—etc.'

"Another question in many policies reads as follows: 'If purchased on a deferred payment plan the amount unpaid is \$\_\_\_\_\_, represented by notes of \$\_\_\_\_ each. Due date of final note is \_\_\_\_\_, 19\_\_\_\_.'

### Cancellation Procedure

"The policy also grants five days cancellation and the law is specific in all states in order to effect proper cancellation, the assured and the firm or person holding the mortgage must be notified by registered mail.

"Finance companies, like life companies could compile a list of acceptable companies or in the case of a finance company, they could state, 'We will accept any insurance company with a capital and surplus of \_\_\_\_.' Agents are perfectly willing to furnish a finance company with a policy acceptable to them and at the same time give the purchaser a certificate of insurance. Life companies have no bones to pick with insurance agents on property they hold mortgages on. They accept policies in amounts acceptable to them in companies they list, showing the amount of insurance they will accept in any one company. A dealer sale can be arranged just as quickly without compulsory insurance as with compulsory insurance. A dealer will pick two or three insurance men if necessary, or the purchaser can call his own insurance man and in as much as we now have the telephone, a perfectly written policy will be in the dealer's hands before he can prepare the necessary finance papers. The dealer is happy, the purchaser is happy because they both are satisfied that they have helped the taxpayers in the community and have been able to keep the commission paid on the insurance in his own town or city, where it will be spent to purchase goods and help his community.

"The finance company, being the money lender, is not happy because he has lost what is known as the agent's commission on the deal. This naturally reduces the finance company's profit on the deal a few dollars.

"Millions each year are collected by finance companies from insurance companies representing commissions paid direct or through someone appointed as agent, that if left in the communities from whence the commission came would help to buy more automobiles.

"Any legislation being enacted to protect the public against the three bad methods used by finance companies is brought on by themselves. There always will be agitation by the public as long as monopolies exist. If each man was allowed to function at his own trade, more happiness and contentment would exist in this world.

"Competition is the spice of life but finance company rules and regulations eliminate the spice. They apply poison."

## Sees Investment Income Gain But Not in Underwriting

Standard Statistics in a sizeup of the outlook for insurance stocks expresses the belief that no pronounced improvement in net underwriting profits of fire companies is expected this year. Net investment income should rise, however, as the result of expected moderate increase in corporate dividend payments and perhaps some increase in the amount of funds invested.

Volume of fire companies was moderately lower in 1938 than 1937, Standard Statistics observes. This is attributed to reduced rates, lower inventories, smaller volume of automobile insurance. During the last four months of 1938 the fire losses were the largest for any corresponding period since 1932.

Premium volume may gain this year, Standard Statistics states, as a result of increased residential construction, larger inventories, gain in automobile sales and improvement in general conditions.

Net investment income of insurers with large common stock portfolios declined in 1938 although returns of com-

panies with highly conservative portfolios held up well.

In the casualty field, premium volume and underwriting profits were well sustained in 1938. Fidelity and surety operations were particularly favorable despite rate reductions. Automobile accidents dropped 19 percent by number but automobile insurance claims were reported to have increased 9 percent due to higher damage judgments, etc. Rate adjustments this year, according to Standard Statistics, will probably have only minor effect and indications are that underwriting profits will continue at highly satisfactory levels.

## Bitter Goes to Nebraska for Fireman's Fund

A. J. Bitter has been appointed special agent for the fire, automobile and marine departments of Fireman's Fund in Nebraska. His headquarters will be at 1017 Omaha National Bank building, Omaha. Mr. Bitter is being transferred from St. Louis where he has been for the past three years as marine special agent.

Special Agent G. E. Shank, Jr., with headquarters at Topeka, Kan., had supervised both Kansas and Nebraska before Mr. Bitter's appointment.



## Ever see AGENTS ADVERTISING like this?

YOU probably haven't—and that's just why we're using it!

Frequently throughout the year—in observance of our 10th Tin Anniversary—each of our agents has the privilege of receiving from us ABSOLUTELY FREE a quantity of unusual direct-mail pieces to be mailed by the agency or the producer to prospective assureds.

The March mail piece as illustrated is fully described at the right. Its purpose is to help you who are the KANSAS CITY's agents to GET MORE BUSINESS and MAKE MORE MONEY during 1939.

If you're not one of our agents—and if you seriously want to increase your premium volume—write us about our Business Getting Program for 1939. Address O. P. Rush, vice-president. Write TODAY.

This mail piece is 3" x 2". It is printed on HIGHWAY COVER stock in brown or orange ink. Attached to the card is an actual toy Jack-plane! The card, hand-signed by the agency or producer, is addressed and stamped on the other side. It goes through the mail—just as it is—for 1 1/2 postage, paid by the agency or producer. The theme of this card is the need for advertising the unusual or overlooked "edges" of risks as well as the regular more apparent risks. Only agents of the KANSAS CITY are eligible to use this advertising.



## KANSAS CITY Fire and Marine INSURANCE COMPANY

CHICAGO OFFICE:  
INSURANCE EXCH.



KANSAS CITY,  
MISSOURI

(CONTINUED FROM PAGE 15)

## STOCK FIRE, 1938 NET PREMIUMS AND PAID LOSSES, ACCESSORY LINES

Fire	Motor Vehicle		Ocean Marine		Inland Navigation		Tornado		Aircraft		Sprinkler Leakage		Earthquake		Riot, Civil Com. & Exp.		Hall on Growing Crops		Rain, Flood, Water Dam., Frost & Freeze and Misc.		
Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses
323,121	124,755	130,732	102,215	11,927	8,774	13,305	7,903	11,300	10,280	Philadelphia National	19	752	252	1,316	39	1,220	546	.....	.....		
5,672,339	2,075,323	712,599	354,734	456,976	302,885	981,045	317,142	519,146	259,924	Phoenix, Conn.	24,615	13,447	22,286	10,891	5,422	9,137,263	5,340	69,143	57,119		
2,320,929	835,461	409,669	208,072	.....	9	73,675	29,249	68,482	78,918	Phoenix, Eng.	27,781	14,280	10,479	2,686	5,867	.....	8,326	1,434	.....		
494,668	183,842	366,902	185,302	10,946	105	51,610	26,628	34,536	12,621	Piedmont	235	32	1,159	.....	.....	.....	4,886	148	27,306	15,223	
750,885	499,802	.....	.....	15,794	24,804	12	.....	86,222	59,249	Pilot Reins	.....	.....	14,307	562	1,258	5,370	941	.....	500		
77,430	27,774	900	173	.....	.....	.....	.....	22,497	13,488	Pioneer Equit.	.....	.....	.....	.....	.....	.....	.....	.....	.....		
5,611	961	.....	.....	.....	.....	.....	.....	230	115	Pioneer, III.	.....	.....	.....	.....	.....	.....	.....	.....	.....		
802,675	290,883	796,426	385,313	97,867	75,151	100,962	41,206	70,442	49,758	Potomac	.....	.....	984	109	663	.....	10,131	1,812	.....		
3,107,739	1,263,491	910,936	463,035	624,401	434,603	733,258	373,859	192,872	130,274	Preferred Fire	3,584	364	9,161	1,098	2,931	52,763	3,009	94,016	71,782		
341,087	149,969	.....	.....	.....	48,010	28,705	10,634	153,160	75,418	Providence Wash.	303	148	848	298	649	2,612	292	.....	.....		
2,315,335	1,133,997	118,194	48,010	.....	.....	.....	.....	.....	.....	Provident	3,375	1,604	16,649	4,295	13,242	10	21,327	4,169	.....		
188,641	63,447	97,936	57,963	108,045	88,782	9,696	1,701	8,539	765	Prudential, N. Y.	.....	.....	.....	.....	.....	.....	.....	302	.....		
5,398,786	1,833,515	713,426	330,101	298,465	195,813	315,198	106,271	396,065	155,295	Quaker City	.....	204	.....	336	71	.....	.....	.....	.....		
171,419	11,738	434,255	146,332	28,532	744	38,299	12,003	20,017	137	Queen	23,248	10,051	28,912	11,521	14,224	35,688	2,593	3,793	2,869		
248,163	94,987	.....	.....	.....	.....	.....	.....	8,657	2,854	Reins, Corp., N. Y.	525	1,270	3	95	2,300	.....	2,358	15,276	473		
516,993	199,739	209,172	163,543	11,175	8,630	16,719	4,344	18,080	16,448	Reliable, O.	.....	490	290	164	969	220	.....	13,794	757		
1,922,653	581,584	.....	.....	161,111	114,509	6,982	7,842	.....	3,835	Reliance Marine	30	1,204	403	2,106	63	1,951	874	.....	.....		
1,379,818	580,727	170,943	97,817	.....	.....	55,149	17,850	52,120	38,691	Republic, Texas	25	1,071	115	5,249	10,081	229	.....	147,027	10,846		
763,863	319,063	57,117	26,756	.....	.....	143	5	47,164	42,702	Rhode Island	4,856	3,562	1,485	4	4,781	429	.....	64,447	17,718		
637,375	251,230	53,696	27,244	.....	.....	27,604	13,330	53,942	23,251	Richmond	63	3,947	988	4,108	48,637	2,413	8,558	4,195	.....		
63,384	27,025	5,993	8,906	.....	.....	7	.....	4,096	3,835	Rochester Amer.	2,013	898	2,814	1,079	2,389	71	9,476	1,072	33,519	22,821	
1,794,288	706,367	282,318	105,693	366,625	197,851	187,465	77,243	147,646	111,589	Rocky Mountain	.....	.....	.....	6	7,702	2,402	12,685	1,946	.....		
5,836,269	2,357,754	899,660	452,083	270,897	172,032	392,099	142,395	454,798	218,152	Rossia	2,066	1,910	5,770	2,035	4,418	17,766	1,990	.....	.....		
325,288	116,029	162,597	62,622	.....	.....	1,467	739	30,295	7,008	Royal	30,482	14,119	34,487	16,184	15,412	38,535	3,642	5,328	4,639		
182,974	80,439	121,036	57,546	.....	.....	9,092	5,054	19,022	25,266	Safeguard	138	17	360	108	307	1,554	101	.....	.....		
5,454,086	1,973,279	1,474,075	742,931	1,742,168	1,200,209	1,800,674	735,548	674,799	368,147	1,804,279	St. Louis F. & M.	14,444	21,904	23,891	5,683	10,299	12,804	1,861	588,942	469,955	
2,068,208	806,707	363,277	154,054	20,188	16,727	89,559	44,253	119,146	101,505	St. Paul F. & M.	2,505	72	5,888	2,300	3,262	37,668	1,086	.....	.....		
135,507	32,263	102,855	62,620	685,827	440,044	279,208	119,792	111,287	2,463	Scot. Un. & Nati.	5,308	1,650	1,069	26	182	2,158	5	.....	5		
489,465	209,147	56,935	40,143	.....	.....	57,858	24,605	17,885	8,070	Seaboard F. & M.	34	1,327	154	593	194	366	19,028	4,302	.....	.....	
156,384	1,967	.....	.....	.....	.....	6,225	.....	12,832	.....	Seaboard, Md.	452	1,274	.....	950	2,414	.....	.....	.....	.....		
496,209	147,517	30,672	10,537	.....	.....	261	4	138,566	43,621	Security, Ia.	7,301	27	6,125	2,781	1,994	42,237	1,401	118,061	97,988		
2,572,910	1,010,747	430,040	494,632	353,481	241,136	237,056	108,510	286,919	216,816	Security, Conn.	.....	81	308	79	21,219	1,816	.....	.....	.....		
288,263	127,387	.....	.....	.....	.....	37,997	27,609	.....	.....	Selected Risks	225	17	967	337	135	4,117	324	19,566	12,454		
2,355	1,661	54,642	12,321	.....	.....	.....	.....	.....	15,105	Sentinel	.....	.....	.....	.....	.....	563	381	.....	.....		
248,044	102,155	44,001	26,630	3,090	2,600	20,172	9,169	24,038	2,600	Service, N. Y.	.....	.....	.....	.....	.....	.....	.....	.....	.....		
-2,900	24	.....	.....	.....	.....	362	2	.....	34,639	Skandia	278	11,690	3,759	13,869	8	12,416	901	.....	.....		
1,398,093	632,382	64,017	26,486	.....	.....	26,744	14,233	96,577	2,055	Skandinavia	8	1,319	728	676	3,516	716	2	.....	.....		
739,730	382,030	5,736	4,027	79	8,898	6,328	21,744	8,762	.....	South British	.....	-129	153	787	957	279	.....	.....	.....		
78,235	77,021	.....	.....	.....	.....	.....	225	1,714	2,066	South Carolina	43	2,668	129	3,367	2,383	96	7	.....	.....		
606,960	274,332	71,718	32,297	.....	.....	732	.....	28,475	20,662	Southern, N. C.	421	45	1,487	2,818	2,518	6,002	3,585	51,348	24,752		
8,433,506	3,472,575	1,496,620	912,222	105,049	88,398	867,950	312,544	817,297	513,583	Springfield F. & M.	7,646	584	3,862	11,445	4,589	3,398	139,978	11,020	665,233	123,452	
1,462,257	520,943	66,157	27,131	.....	.....	269,765	93,469	106,969	64,425	Standard, Conn.	3,771	2,217	4,102	1,056	2,436	35,076	7,228	290	94		
901,337	314,720	.....	.....	.....	.....	.....	.....	.....	.....	Standard, N. J.	.....	.....	3,897	935	940	2,895	390	.....	.....		
786,171	347,764	667,434	288,697	.....	.....	.....	.....	92,543	34,721	Standard Marine	6,743	2,728	9,067	3,127	4,770	12,000	704	1,030	779		
1,590,291	455,566	204,016	87,352	100,279	66,928	76,337	24,956	127,720	42,151	State, Eng.	668	326	1,867	657	1,429	5,747	644	59,291	11,734	26,030	
580,505	228,530	.....	.....	.....	.....	.....	.....	47,767	36,102	State Farm Fire	.....	2	92	5	5,335	6,661	.....	.....	.....		
152,888	133,290	23,359	12,323	.....	.....	13,379	13,730	3,064	1												

## COMPANIES

### Reinsurance Corporation of N. Y. Makes Sharp Increases

Assets of Reinsurance Corporation of New York increased during 1938 by \$1,189,457 and at the end of the year stood at \$7,096,806. That was an increase of better than 20 percent. Gross premiums, less return premiums and cancellations, were \$1,316,467 as compared with \$223,168, the previous year. After reinsurance, net premiums written were \$704,351 in 1938 as compared with \$43,522 the previous year.

During 1938 Reinsurance Corporation commenced writing participating treaties of all classes as well as excess of loss contracts.

"In its efforts to provide an American reinsurance market," President Neilson Edwards states, "this corporation has had, since its inception, reinsurance facilities under treaties with the Excess Reinsurance Association. These facilities have recently been increased

through the enlargement of the association which now comprises nine prominent fire insurance companies. Thus we are able to provide greater coverage for the American fire insurance companies desiring admitted reinsurance. To enable companies reinsuring with us to take credit for such reinsurance in their annual statements to all state insurance departments, this corporation qualified in 1938 as a reinsurance company in those states where such qualification is necessary."

### Surplus of the Yorkshire

In the last issue a mistake was made in giving some items regarding the annual statement of the Yorkshire and London & Provincial. The increase in surplus for the Yorkshire was \$174,561 and the London & Provincial, \$33,834.

### National Fire Group

The National Fire of Hartford increased its contingency reserve from \$4,500,000 to \$6,500,000. In the New England hurricane, it sustained gross losses of approximately \$500,000. With the increase in surplus of \$1,175,118, it has

a net surplus of \$21,206,488 in addition to the contingency reserve of \$6,500,000. Assets increased \$2,483,104 to \$50,681,119.

The Mechanics & Traders increased its assets by more than \$300,000 to \$5,499,501. Its surplus to policyholders is \$3,783,849, in addition to a contingency reserve of \$400,000.

The Franklin National increased its assets by nearly \$300,000 to \$4,123,473. Its surplus to policyholders was \$3,293,972 in addition to a contingency reserve of \$200,000.

The Transcontinental has assets of \$4,189,348, increase over 1937 of \$287,732 and a surplus to policyholders of \$3,378,410, in addition to a \$200,000 contingency reserve.

### Aetna Fire Appointments

Appointment of D. F. Kirschman as the actuary of the Aetna Fire group and of E. L. Upton as auditor is announced. Mr. Kirschman will take over the duties formerly discharged by G. H. Grant, who served as actuary of the Aetna Fire group until 1936, when he was elected assistant secretary. In the

19 years he has served the company. Mr. Kirschman has risen from mail clerk to actuary.

Mr. Upton went to the Aetna 29 years ago as an accountant and eventually became chief assistant to G. H. Grant while he was actuary. Mr. Upton was an employee of the Aetna Life for 12 years.

### Urge Change in N. F. P. A. Setup

S. D. McComb, president of Marine Office of America, has been nominated for reelection as president of the National Fire Protection Association at the annual meeting in Chicago May 18-20. A. R. Small, head of the Underwriters Laboratories, is named for vice-president, as is D. J. Price of Washington. H. T. Freeman of the factory mutuals is nominated for secretary and A. T. Bell for chairman of the board.

The committee recommends that the office of secretary be distinct from that of the paid executive and that the secretary have a status similar to that of the other officers; that the manager be an employee of the association but with no vote at meetings of the directors.

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## EDITORIAL COMMENT

### The Editor Does Some Boasting

In this week's edition a wealth of statistical information appears. An exceptional effort has been made to get the story of the previous year's record together at an earlier date than ever before. The companies have until March 1 to file their reports with the insurance departments, so it is impossible to get final totals before that date. But a supreme effort has been made to compute the various totals in which the business is primarily interested just as shortly after that date as possible. The compilers of the Argus Charts, fire and casualty, which are published by THE NATIONAL UNDERWRITER have been working at a faster pace than ever, and much of the material that appears in this week's edition is the product of their labor. In addition, one of THE NATIONAL UNDERWRITER editors spent all of last week in ALBANY preparing tables from the annual statements as filed in NEW YORK state. We feel that the edition this week contains the richest statistical

record of a year's operations in the insurance business that has ever been printed this early in the season. Here is a partial list of the tables that appear this week:

Totals of the business written by fire companies, divided by lines and by classes of insurer; totals of the business written by stock casualty companies, divided between lines and as between bureau and non-bureau institutions; ranking of stock casualty companies by 1938 premiums and by assets; developed loss experience of casualty companies operating in NEW YORK state for liability and compensation lines; reinsurance cessions of many of the principal fire companies; writings of casualty companies in NEW YORK state in 1938; net result of transactions between foreign companies and their United States branches in 1937 and 1938; NEW YORK state premiums and losses of those fire companies that were not included in the exhibit that was printed last week.

### Result of Too Extended Credit

INSURANCE SUPERINTENDENT McNAIRN of Ontario, in recent comment, severely arraigned those companies that grant extended credit beyond reasonable time. He has made a study of cases that have come to his notice where balances are long overdue. He has followed the career of such agents and in probing into the causes of their financial failure and deplorable conditions as far as deficits are concerned, finds that the com-

panies are responsible for the situation. He declares that the companies cannot be justified in their loose method of credit, not only losing money themselves but wrecking what might otherwise be good agents. In his opinion such a tendency of an agency to get behind in its balances should be checked in its incipiency and the office gotten on a more substantial and businesslike basis.

### The Important News at 150 William Street

THE important news in the casualty business this week of the impending retirement of A. DUNCAN REID as president of GLOBE INDEMNITY is not a surprise, because for the past two or three years the report has been current that one of these days MR. REID would step aside and indulge in golf on a more or less full time basis.

MR. REID undoubtedly has been counting on this day for some time, is prepared to step aside in his full glory and he can well look forward to years of satisfaction and activity ahead. He is a thoroughly human executive. He has enjoyed the human relationships of the business to the utmost and it can be assumed that his participation in the annual casualty convention in WHITE SULPHUR SPRINGS, W. VA., will be even more intense than it has been in the past.

MR. REID is one of the giants of the cas-

ualty business in this country. He has been outstandingly and uniformly successful. GLOBE INDEMNITY was organized and MR. REID was placed at its head at a time when casualty insurance was just about to emerge into its huge, modern proportions. That was in 1912. It was the opportune time to get started and MR. REID was the opportune man to get it started. It was a splendid combination of the man and the times. In its earliest days GLOBE INDEMNITY representation was limited to agents of LIVERPOOL & LONDON & GLOBE, but that exclusive tie up was severed as GLOBE INDEMNITY became one of the principal casualty writers of the country.

MR. REID has had the genius of selecting strong men to support him in executive duties. MR. REID delegated authority but he did not divorce himself from the day to day touch with the business. He had an

intimate knowledge of everything that was going on around the GLOBE shop. He has been a working executive and his touch has been sure. In addition to being a splendid technician, he is a man whose personality has been radiant and commanding. His personality has meant a great

deal to his organization, and yet he has functioned in such a manner that the loyalty that he has induced will be cordially transferred to MR. SPENCER, the new president. The memory of MR. REID will be a very solid asset to GLOBE INDEMNITY for years to come.

## PERSONAL SIDE OF THE BUSINESS

Thomas L. Woods of Steubenville, has been appointed financial officer of the Ohio insurance division by Superintendent Lloyd. He succeeds William A. Marker of Van Wert.

Two prominent Denver fire insurance men, Richard White, state agent Liverpool & London & Globe, and Denton Rogers, Rogers-Evans Agency, Salt Lake City, were aboard the Union Pacific train which was wrecked near Laramie, Wyo. Although several cars were turned over and many people injured, they escaped injury.

The R. H. Gardner Company, oldest agency in Columbus, O., commemorated its 75th anniversary at a dinner at which representatives of 11 companies in the agency were present. A. C. Guy, manager Columbus office Western Adjustment, was toastmaster. The guest speaker was H. J. Holloway, assistant comptroller Banc-Ohio Corporation, Columbus. The Gardner Company was established March 1, 1864, by Andrew Gardner; in 1883, R. H. Gardner took over the agency and operated it until 1913, when E. D. Gardner and C. H. Gardner took over. Robert Klie acquired an interest in the agency last April and is now president.

Commissioner Fischer of Iowa has returned to Arizona to resume his vacation which was interrupted when he was named commissioner last month. Mr. Fischer made several appointments, got his office in shape before he left for the south. He returns March 15.

L. H. Bridges, former assistant manager of the farm department of the Home of New York group in Chicago, who was in charge of the hail department is now residing at Wilkinson, Ind. A couple of years ago or so Mr. Bridges suffered a stroke. He is able to sit up a short time each day.

While the Case, Thomas & Marsh agency of St. Louis is observing its 75th anniversary, there is another office in the city that has an older record as George D. Capen & Co. observed their 75th anniversary last year. It was established in 1863 as Howe & Capen. George D. Capen, at the age of 24, founded the office. Mr. Capen was one of a committee of three to draw up the constitution and by-laws of the first St. Louis Board in 1886. The members of the firm are O. D. Prowell, G. W. Clinton and Sam D. Capen, Jr.

Clyde B. Smith of Lansing, Mich., former president National Association of Insurance Agents, has gained speedy recognition for his political organization talents since he became chairman of the Ingham county Republican committee and directed a successful county campaign last fall. At the recent state Republican convention, preliminary to the spring election, he was made a member of the state central committee, rep-

resenting the sixth congressional district, and he has now been chosen as chairman of the finance committee.

T. Ray Phillips, Jr., Oklahoma City local agent is a candidate for the school board there. Mr. Phillips is son of T. Ray Phillips, Oklahoma state agent of the America Fore group and past most loyal grand gander of the Blue Goose.

L. J. Braddock, associate manager, and S. L. Nelson, loss superintendent in the western department of North America, left by motor last week for a Florida vacation. Mr. Nelson had just recovered from pneumonia. They intend to visit W. T. Avey, western farm manager, who is on a leave of absence, because of illness, and resides in West Palm Beach.

Mrs. Roy L. Davis of Evanston, Ill., wife of the assistant state insurance director of Illinois, is at St. Luke's Hospital in Chicago recuperating from an attack of pneumonia. Mrs. Davis went to the hospital before and then returned home. In a few days she had the attack and returned to St. Luke's.

## DEATHS

Robert T. Caldwell, 66, for some 15 years Alabama state agent for the Aetna Fire, died in Birmingham. He joined the Aetna after an extensive career with Southeastern Underwriters Association and with other fire companies. He retired from active duty in 1934. He was buried in Atlanta.

George L. Bell, president of the Gaul & Bell agency of Yonkers, N. Y., died in a hospital in his city after several months illness. He was 47 years of age. The agency was founded by his father, the late G. W. Bell, and William Gaul more than 45 years ago. He was a director of Great Eastern Fire of White Plains, N. Y.

Mrs. D. P. Coffman of Lincoln, Ill., wife of the special agent of the New York Underwriters in central Illinois, died last week. Mrs. Coffman was a sister of W. K. Maxwell, western manager of the Hanover Fire.

Donald S. Pitkin, 50, partner of Pitkin & Pitkin, Boston agency, died.

George L. Price, Jr., 47, local agent of Nashville, died unexpectedly of heart disease. George L. Price, Sr., who established the agency, survives, but has been an invalid for several years.

Adam Hirn, 86, Spencerville, O., agent, who served two terms as mayor, died.

Lyman M. Finney, Bradford, Pa., agent, died, following a two weeks' illness.

Earl Enlow of Hodgenville, Ky., has reentered the agency business, purchasing a half interest in the Duckworth Agency, which becomes Duckworth & Enlow. W. E. Duckworth is the other partner. They purchased the Daugherty & Behanan agency, consolidating it with their agency.

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## Mutual Issue Will Loom Up Strongly

(CONTINUED FROM PAGE 4)

the executive committee and perhaps in other sessions.

The Toledo Insurance Agents Association has not approved the action of the state association. In fact, it has taken no action whatever. Toledo has a co-extensive membership. Harvey S. Martin has resigned from the Toledo Board. He is one of the staunch state leaders and is a former president. Presumably he felt that the Toledo agents should have given an affirmative vote. It places him in an awkward position as with the co-extensive membership, and he being out of the board, he is not a member of the state association.

So far it can be said that no member of the Ohio association has resigned because of the withdrawal. It is found here and there a certain amount of sympathy for one reason for Ohio's secession, that being too large an amount of the dues going to the National association. This probably will be another point that will be brought up at Hollywood. Local agents are not making so much money. They feel that in many cases the state association can accomplish more than the national body. A few states have not hesitated to say that the National association expenses are geared too high.

### Stock Association Reelects

NEW YORK—All former officers and members of the executive committee of the Stock Company Association were reelected at the annual meeting here Tuesday. J. M. Waller, Aetna Fire, is president.

## Grand Rapids Agents Given Gavel



Recognition for meritorious work in fire prevention was awarded the Grand Rapids Association of Insurance Agents by Fire Marshal F. P. Higgins, who presented an inscribed gavel to President A. B. Millard. The gavel was made from bronze fittings and wood wheel spokes from an old horse-drawn pumper that was used in Grand Rapids for many years. The agents tendered

a luncheon to Marshal Higgins and W. B. Palmer, his assistant. The handle of the gavel represents the nozzle of a firehouse and the head represents a large capacity fire hydrant.

The photograph shows Marshal Higgins presenting the gavel to Mr. Millard (right) with Herman P. Hogenholtz, secretary-treasurer of the Grand Rapids association, in the background.

### Anthracite Field Rally

The Anthracite Field Club of Pennsylvania held its meeting in Wilkes-Barre, the meeting being conducted by Vice-president Ollingworth. The prin-

cipal speaker was Paul White, engineer connected with the Anthracite Institute, who presented several very interesting and instructive facts concerning the state of anthracite coal.

## Kentucky Lloyds Agents to Organize

LOUISVILLE—A committee of five local agents named by R. D. Williams on Feb. 15, will meet this week to adopt a skeleton form of rules and regulations for agents to abide by in writing business in Lloyds. These regulations will be framed to avoid conflict with American companies. There are only four or five direct writing agents locally, but in all about 14 brokers and agents are using Lloyds facilities. It is planned to adopt rules and regulations that would apply out in the state as well as in Louisville.

The luncheon at which the committee was named was arranged by Charles I. Brown, attorney in fact for Lloyds. This committee is composed of W. T. Smith, chairman; Jack Namm, Herman Cohen of the Tachau agency; Joe Lutz of Booker & Kinnard, and Cook Shaw of Jones & Whitlock.

### Maryland Agents Favor Bill

BALTIMORE—The executive committee of the Maryland Association of Insurance Agents at a meeting discussed what has become known as House Bill No. 270 and which, if passed, would make it obligatory for all persons who seek to become agents in the future to undergo an examination. It is now up for a third reading and, if passed, would then go to the Senate.

The executive committee, it appeared from the discussion, favors the measure as a means of keeping out persons who are not qualified and who have no special training, and are therefore greatly handicapped in their activities, besides making it increasingly difficult for the qualified agents to pursue their work. The aim of the bill further is to impose a check upon the encroachment of solicitors who have no regular connection.

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## FINANCIAL STATEMENT, DECEMBER 31, 1938

### ASSETS

Cash in Banks and Trust Companies	\$407,677.34
Government Bonds	800,168.27
Corporation Bonds	256,375.74
Common Stocks	5,540,805.00
Due from Underwriting Manager	83,205.00
Interest Accrued	4,784.60
Accounts Receivable—Net	3,790.57
<i>Total Admitted Assets</i>	<i>\$7,096,806.52</i>

### LIABILITIES

Reserve for Unearned Premiums	\$302,478.81
Reserve for Losses and Loss Expense	62,479.82
Reserve for Taxes	23,013.65
Reserve for Non-admitted Reinsurance	253,178.08
CAPITAL	\$1,530,000.00
SURPLUS	4,925,656.16
<i>Total Capital and Surplus</i>	<i>6,455,656.16</i>
<i>Total</i>	<i>\$7,096,806.52</i>

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# The NATIONAL UNDERWRITER

March 9, 1939

## CASUALTY AND SURETY SECTION

Page Twenty-three

### Types of Explosion for Fire Companies Seen in N. Y. Code

#### Controversy Is Revived With the Casualty Interests as to Cover

NEW YORK — The provision in the proposed New York insurance code limiting the types of explosion which fire companies may cover has caused some protest from fire insurance interests. The old question of what may be insured by a fire company under an explosion policy, inherent explosion endorsement or extended coverage endorsement and what is reserved to a casualty company under a power plant policy has been revived.

Whether fire and casualty companies can agree as to their relative fields will largely depend upon the outcome of a series of conferences between representatives of the two types of carriers. At the hearing before the legislative code revision committee at Albany last Friday, J. H. Doyle, general counsel National Board, argued in favor of the concession, while the mutuals favored even greater latitude, asking that, in addition to boiler coverage, fire offices be granted the right to insure against loss due to container explosions. Casualty men seem concerned over the issue.

#### Proposed New York Provision

Section 46 of the proposed New York code permits fire insurance companies to cover, among other hazards, "explosion (excluding explosion of boilers or other containers)." A literal interpretation of this provision would indicate that it would make the explosion section of the present extended coverage endorsement and the simple explosion policy illegal. The extended coverage endorsement covers explosion, excluding only explosion originating within steam boilers, pipes, fly wheels, engines and machinery connected therewith and operated thereby. Under this wording, fire insurance companies have regularly regarded hot water boilers, air tanks and similar vessels as covered.

The proposed New York restriction is regarded as quite severe and unusual. The Illinois code, for example, permits fire companies to cover "explosion (other than explosion of steam boilers and the breaking of fly wheels)."

#### Residence Explosion Cover

One report indicates that fire companies will seek authority to exclude only, in case of residences, explosion of boilers owned or controlled by the assured and boilers located in the insured premises. Another belief is that they will ask for authority to cover explosion of low pressure steam boilers on residential property.

(CONTINUED ON PAGE 43)

### Stock Casualty Premiums Off \$14,000,000 in 1938

The table below, based upon incomplete figures, indicates that the total premium writings of stock casualty companies declined in 1938 from the previous year's level, but that they were still far ahead of 1936.

The 1938 figures do not include the experience of about 10 companies that write in the neighborhood of \$4,500,000 premiums. The largest of the compa-

nies that is not included is Traders & General.

Including the figures of the companies that are not taken into account in the 1938 totals, the stock casualty premiums for 1938 appear to be about \$14,000,000 below 1937. The 1937 figures here given are based upon the experience of 153 companies and the totals of 159 companies comprise the 1936 record.

	1938 (153 Companies)	1937 (163 Companies)	1936 (159 Companies)
Auto Liability	\$215,147,950	\$220,273,128	\$200,614,585
Bureau	104,010,064	118,335,684	108,519,450
Non Bureau	111,137,886	101,937,444	92,095,135
Auto P.D.	59,524,894	60,971,192	55,649,997
Bureau	28,718,972	32,577,154	30,577,673
Non Bureau	30,805,922	28,394,038	25,072,324
Auto Coll.	8,376,396	8,688,985	7,822,123
Bureau	1,969,875	2,113,005	2,262,664
Non Bureau	6,406,521	6,585,983	5,559,459
Accident	36,431,240	37,987,514	33,912,916
Bureau	26,000,118	31,774,819	28,706,595
Non Bureau	10,431,122	6,212,695	5,206,321
Health	18,504,949	18,009,260	15,042,765
Bureau	12,500,487	15,231,041	12,583,218
Non Bureau	6,004,462	2,778,219	2,449,547
Work. Comp	163,596,005	173,515,408	150,956,145
Bureau	105,873,448	116,795,643	103,286,417
Non Bureau	57,932,557	56,719,765	47,887,728
Liab. Ex. Auto	79,504,437	80,854,518	74,421,792
Bureau	55,977,078	59,711,020	55,503,027
Non Bureau	23,527,359	21,143,498	18,918,765
Fidelity	40,521,530	41,486,905	41,219,403
Surety	48,337,687	44,131,305	45,877,600
Plate Glass	10,792,608	11,207,705	10,916,160
Bureau	6,764,196	7,785,607	7,561,915
Non Bureau	4,028,412	3,422,098	3,354,245
Burglary & Theft	26,838,114	28,336,297	27,652,014
Bureau	19,127,396	21,753,665	21,014,278
Non Bureau	7,710,718	6,582,632	6,637,736
Steam Boiler	8,135,241	9,006,327	6,876,008
Bureau	7,272,114	8,186,159	6,318,544
Non Bureau	863,127	820,168	557,464
Engine & Mach.	3,828,314	5,510,110	2,933,721
Bureau	3,320,392	5,137,491	2,657,132
Non Bureau	507,922	372,619	276,589
P.D. & Coll Not Auto	4,789,733	4,693,694	3,956,755
Bureau	3,233,267	3,374,691	2,860,439
Non Bureau	1,556,466	1,319,003	1,096,316
Miscellaneous	22,429,852	19,481,096	18,411,134
Bureau	1,455,805	2,332,465	2,168,346
Non Bureau	20,974,047	17,148,631	16,242,788
Total	\$746,758,950	\$764,000,177	\$696,107,202
*Bureau	442,995,313	493,748,320	453,347,235
Non Bureau	302,677,738	259,533,308	233,472,692

\*Includes fidelity-surety writings of members of National Bureau of Casualty & Surety Underwriters.

### Travelers Will Pay Nearly \$800,000 on Safe Driver Plan

J. H. Hart, superintendent of the automobile division at the head office of the Travelers states that the company will pay between \$775,000 and \$800,000 in safe driver rewards to more than 130,000 automobile owners this year. He expresses the belief that the safe driver reward plan played a part in reducing

the number of automobile fatalities last year. Mr. Hart has found that a number of Travelers agents have found the safe driver reward makes it easier for them to hold their renewals.

He believes in the \$1,000 policy and said that those who can afford to buy more insurance should not condemn the \$1,000 contract because there are millions of automobile owners whose total worldly goods, including their cars, do not add up to \$1,000. They are the ones, he says, who largely make up the 20,000,000 of uninsured automobile owners.

### A. Duncan Reid Is Retiring March 31; Spencer Is Successor

#### Important "Farewell" Functions Are Slated for Globe Indemnity President

A. Duncan Reid, president of Globe Indemnity, announces that after 46 years of service in the casualty-surety business he will retire on March 31. Kenneth Spencer, now vice-president of the company, will succeed Mr. Reid.

Mr. Reid will be honored at a dinner in the Waldorf Astoria March 29 to which are being invited a number of representatives and producers of Globe, as well as some close business and professional friends of Mr. Reid. In addition, invitations are being sent to leaders in the various branches of the insurance business. Attendance may be 500.

The dinner is being given by the chairman and directors of the Liverpool & London & Globe, the parent company of Globe Indemnity. Arthur E. Patterson, chairman of the board at the home office in Liverpool, and J. Dyer Simpson, general manager, are coming from England to attend the dinner. Accompanying them will be Lord Cornwallis, J. A. Falconer, directors, and Captain P. M. Spence, financial secretary. Harold Warner, United States manager and joint general attorney in the United States of the "Liverpool," will be the toastmaster.

#### "Globe Family" Luncheon

The occasion, representative of all phases of the great industry and its affiliated interests, will be an unusual one. In addition to the dinner a luncheon has been arranged for March 30 at the request of representatives of the company in the home office and field. The group which will attend has for years been known as "The Globe Family" in recognition of the cordial personal relationship between the officials and agents.

Mr. Reid has been the chief executive of Globe Indemnity since its formation. Coming to the United States from Canada in 1900, he had already been recognized as a leading casualty executive in the United States when he was chosen to organize the Globe in 1911.

During the 39 years since he came to the United States, he has seen the casualty-surety business grow from a \$25,000,000 national volume in 1900 to more than a billion dollars in 1938. From his earliest days here, Mr. Reid has taken a leading part in the various cooperative organizations of the business. He was one of the original founders of the National Bureau of Casualty & Surety Underwriters. He has been a trustee of the Workmen's Compensation Reinsurance Bureau since organization in 1912 and its chairman since 1925. He was the first chairman and the first president

(CONTINUED ON PAGE 33)

# More Adequate Estimates Made on Loss Reserves

NEW YORK—Addition of another year's data to the developed loss experience on liability and compensation reveals fewer cases of underestimated loss reserves for incurred claims. Some years ago there was a feeling among insurance departments, justified in the case of some companies, that inadequate reserves were being put up for incurred liability and compensation losses. The result was the addition of schedule P, part 5, for liability, and schedule P, part 5-A, for compensation in the annual statement blanks. The year 1934 was the first covered in the exhibit as filed with the department.

The complete exhibit as given in the statement blank traces the amounts paid in claims plus loss reserves set up as of the end of the year in which the losses occurred, carrying them across the page year by year to Dec. 31, 1938. The table separates losses into those occurring in

the same calendar year as the policy was written and those occurring in the subsequent year.

In the tabulation below is given first losses incurred in 1934 on policies written in 1934; then comes the revision of that same item as of Dec. 31, 1938. Next are the losses incurred in 1935 on policies written in 1934, and then the same item revised as of Dec. 31, 1938. The same comparison is given for losses incurred in 1935 on policies written in that year; losses in 1936 on policies written in 1935; losses in 1936 on 1936 policies; losses in 1937 on 1936 policies, and losses in 1937 on 1937 policies. Figures are not given for losses incurred in 1938, for there is no subsequent year's figures with which to compare them.

The exhibit lists practically all New York licensed companies.

Amounts are given in thousands of dollars (000 omitted).

LIABILITY		'34-'35, Dec. 31, Yr. of Loss		'35-'36, Dec. 31, Yr. of Loss		'36-'37, Dec. 31, Yr. of Loss		'37-'38, Dec. 31, Yr. of Loss		'38-'39, Dec. 31, Yr. of Loss	
Aetna Cas.	\$ 1,567	1,061	941	2,045	1,922	1,404	1,351	3,243	3,179	1,716	1,693
Aetna Life	3,045	2,989	1,991	1,751	2,342	2,249	1,235	1,190	1,383	1,362	902
Allstate	145	183	147	141	239	255	237	211	397	345	302
Amer. Auto.	2,029	1,912	1,417	1,211	2,321	2,109	1,557	1,483	2,601	2,364	1,587
Amer. Employ.	910	1,153	327	328	880	997	385	340	980	921	384
Amer. F. & C.	710	781	81	85	820	849	88	89	1,266	1,258	15
Amer. Motor.	1,278	1,169	401	336	1,546	1,293	427	359	1,266	1,233	474
Amer. Reins.	281	278	244	128	457	482	222	160	388	546	182
Amer. Surety.	245	393	254	268	395	378	302	246	463	411	331
Assoc. Indem.	343	311	222	196	353	297	247	227	435	325	342
Bankers Ind.	428	584	367	357	491	482	425	379	487	466	432
Car & General	357	345	248	245	399	361	303	263	737	599	272
Central Sur.	574	647	567	524	630	627	572	536	624	296	267
Century Ind.	1,226	1,266	502	445	1,030	980	491	446	1,034	1,044	629
Columbus Cas.	64	47	85	50	145	113	99	140	183	152	306
Com'l Cas.	810	876	487	452	1,041	927	473	438	1,062	822	516
Cont. Cas.	1,417	1,451	1,061	1,015	1,481	1,377	1,134	993	2,016	1,810	1,666
Eagle Indem.	733	694	368	272	589	392	354	264	627	431	358
Empl. Lab.	4,366	5,415	1,845	1,880	4,151	4,625	1,872	1,544	4,663	4,332	1,775
Empl. Reins.	977	1,338	688	560	1,027	1,141	627	777	1,480	1,371	757
Euro. Gen. R.	456	769	488	556	558	820	586	603	1,168	1,366	780
Excess	543	794	554	490	712	388	484	592	591	444	156
Fidel. & Cas.	2,808	2,591	1,807	1,608	3,078	2,757	2,650	1,730	1,554	2,804	2,676
Fireman's F. I.	613	592	477	453	716	655	447	458	841	819	560
First Reins.	113	136	79	82	1	6	5	6	23	69	96
Genl. Acci.	2,725	2,494	2,344	1,953	2,924	2,517	2,516	1,888	3,063	2,375	2,207
Genl. C. Wls.	136	61	201	198	278	258	235	257	727	686	355
Genl. Reins.	164	223	211	222	280	431	247	255	580	566	313
Glen Falls	899	986	517	449	1,166	1,115	553	462	1,136	966	488
Globe Indem.	2,930	2,420	1,680	1,409	2,468	1,998	1,511	2,121	2,898	2,266	1,628
Gt. Am. Ind.	1,642	1,385	769	674	1,508	1,433	946	863	1,727	1,579	979
Hartford Ac.	5,119	5,093	3,376	2,746	5,435	4,707	3,165	2,598	5,978	4,267	3,837
Home Ind.	363	428	216	185	545	594	278	259	727	686	355
Ind. of N. A.	1,939	1,511	1,318	970	2,136	1,328	1,258	897	2,162	1,367	1,292
Keystone Aut.	426	410	297	189	543	306	227	199	668	366	393
Lon. & L. Ind.	561	588	311	296	550	543	282	303	643	702	380
London Guar.	876	894	618	582	971	976	653	601	899	783	689
Manuf. Cas.	299	301	214	203	377	398	370	310	545	476	383
Maryland Cas.	2,281	2,759	1,544	1,584	2,504	2,737	1,920	2,025	2,607	2,941	1,927
Mass. Bond.	1,694	2,411	694	741	1,895	2,406	891	881	2,551	2,379	984
Merc. Ind.	118	152	69	87	134	165	89	91	156	198	131
Metro. Cas.	846	932	694	600	1,080	836	570	499	1,106	927	512
National Cas.	88	90	82	86	86	80	71	58	105	96	51
New Am. Cas.	1,563	2,138	856	918	1,964	2,201	2,017	1,002	2,063	1,711	1,167
New York Cas.	294	401	158	130	284	315	225	204	329	263	220
Norw. Un. Ind.	400	495	302	313	195	224	104	98	56	49	52
Occidental Ind.	231	310	238	209	207	174	184	161	229	275	235
Ocean Acci.	1,382	1,179	1,186	1,005	1,189	970	918	779	1,079	762	899
Peerless Cas.	16	27	7	12	19	27	8	7	25	32	12
Phoenix Ind.	554	560	317	282	583	547	356	316	550	446	347
Preferred Acci.	725	768	336	273	747	827	363	389	796	826	396
Protect. Ind.	40	22	40	29	58	60	36	34	37	40	54
Royal Indem.	2,665	1,951	1,187	983	2,490	1,863	1,074	851	2,785	1,959	1,098
St. Paul M. I.	464	440	269	260	478	444	431	445	598	578	508
Standard Acci.	1,075	1,287	712	696	1,299	1,312	1,042	963	1,174	1,108	979
Stand. S. & C.	388	420	204	202	458	421	304	327	585	606	421
Sun. Indem.	784	828	1,215	1,077	952	723	686	680	686	664	574
Travelers Ind.	208	208	134	127	130	122	107	130	126	152	173
U. S. F. & G.	2,901	3,830	2,248	2,368	3,186	2,592	2,409	3,411	2,810	2,739	3,676
U. S. S. Casualty	673	762	488	526	731	720	520	585	497	586	472
U. S. Guar.	606	462	359	330	626	555	399	385	632	535	440
Univ. Indem.	135	143	114	135	107	101	65	59	110	112	77
Wolverine	144	144	138	178	132	128	123	238	122	122	121
Yorksh. Ind.	343	290	144	114	188	156	71	54	169	164	93
Zurich	2,413	1,619	1,537	1,095	2,674	1,830	1,450	1,070	2,798	1,977	1,797

NON-STOCK											
(Amer.) Lumber-	men's M. C.	4,011	3,841	1,514	1,352	4,369	3,866	1,539	1,404	3,893	3,533
Amer. Mut.	L. 1,112	1,174	583	528	1,223	1,300	736	673	1,435	1,464	883
Butchers Mut.	2	2	1	1	3	4	3	4	7	7	2
Elect. Mut.	L	9	9	23	28	2	57	57	8	8	4
Emp. Mut. Liab.	Wis.	261	277	268	257	434	380	337	305	466	423
Fac. M. Liab.	509	320	335	323	593	673	133	134	602	610	179
Farm Bu. Mut.	422	503	298	256	465	586	351	332	643	652	518
Hardw. Mut.	1,078	997	591	610	1,397	1,378	669	618	1,516	1,347	785
Interboro M. I.	192	165	92	99	171	177	171	135	205	188	114
Jamestown M. S.	88	101	61	56	55	77	59	56	114	126	59
Liberty Mut.	3,581	3,219	1,034	873	2,962	1,622	1,406	4,601	3,883	2,027	1,626
Lumb. M. N. Y.	86	37	69	23	30	46	82	42	75	82	37
Merc. M. Cas.	759	963	208	203	520	662	180	196</			

## Committee Working on Plan for Chicago

### Hope to Develop Some Regulations That Will Cut Down Cost

NEW YORK—It is generally understood that the committee on acquisition cost conference, both casualty and surety, has worked out a plan to deal with the Chicago situation which heretofore has presented insurmountable obstacles. The main problem in Chicago is the large number of general agents that some of the companies have appointed, running as high as 20 or 25. Excess commissions, therefore, are paid in the way of general agency compensation when no supervision was done. Brokers and solicitors also receive juicy morsels.

The committee undoubtedly has been influenced by Insurance Director Palmer's pronouncement that the expense ratio had to be cut down. The questionnaire sent out by Director Palmer for Illinois will furnish him with information that can be used to advantage in his campaign for greater economy. Evidently some of the officials have decided that it is far better for the companies to act voluntarily and get their cost down rather than have the state take a hand.

### Not Before Association Yet

The proposed regulations have not been presented to the Association of Casualty & Surety Executives as yet. The special committee which is regarded as a potent one has been delving into the subject endeavoring to develop a plan that is workable. It is something like the so-called 1936 plan for Chicago and follows the general course of the New York City regulations. One point at issue is the production of solicitors for branch offices. Some branch offices do not write business over the counter. Others do. Those that do claim that their loss ratio on this business is lower than that coming from general agents because they do the underwriting according to company rules.

It will be the purpose to agree on a plan in the east for Chicago without having a hearing in that city. If an agreement can be reached then it will be sent to Chicago for enforcement.

### WILL HAVE ARBITRATOR

After months of serious study the casualty and surety acquisition conferences have agreed upon a program for Chicago, which, it is figured, will prove advantageous to companies and their representatives alike. Briefly the plan is that in operation in New York City, with certain modifications to meet the particular conditions existing in the former center. Under its provisions, as is true in New York, each company will be allowed one principal office and one general agency, to which top commissions will be paid. Details of the program will be worked out for each conference by sub-committees, and when these are completed, and the selection of an arbitrator agreed upon, the date for the effectiveness of the new program will be announced. F. S. Stoddard, former superintendent of insurance, has acted as arbitrator of the New York conferences ever since their formation, and both bodies have operated without the slightest suggestion of friction.

## Aetna Casualty Conferences Will Be Held in Many Points

The Aetna Casualty & Surety, which is holding a series of field conferences in 23 key cities, started March 6 at Philadelphia. On Tuesday meetings were held at Newark, N. J., and Washington, D. C.; on Thursday, Bridgeport and Richmond, Va. Other meetings are as follows:

Detroit, and Harrisburg, Pa., March

## Stock Casualty Writers Ranked by 1938 Premiums

1938 Rank	1937 Rank	1936 Rank	1938 Net Premiums.	1937 Net Premiums.	1936 Net Premiums.
1	1	1	Travelers	\$58,773,448	\$58,424,064
2	2	2	Hartford Accident	38,166,100	38,462,342
3	4	5	Aetna Casualty	33,652,283	31,290,653
4	3	3	U.S.F. & G.	33,506,156	35,011,250
5	6	6	Maryland Cas.	26,264,569	27,926,301
6	5	4	Employers Liab.	26,154,887	28,891,126
7	7	7	Fidelity & Casualty	26,021,608	27,412,495
8	8	8	Continental Casualty	21,039,173	20,689,657
9	9	10	General Accident	18,629,263	19,950,394
10	11	11	Globe Indem.	16,507,731	16,713,043
11	12	12	Standard Acci.	14,853,423	14,444,807
12	14	13	Mass. Bonding	14,779,191	14,644,052
13	15	15	Zurich	14,729,593	15,611,892
14	17	18	American Auto	13,887,953	13,307,108
15	15	14	New Amsterdam Cas.	13,640,956	14,332,338
16	16	16	Royal Indemnity	13,380,632	13,821,395
17	10	9	Aetna Life	12,946,824	17,798,015
18	19	20	Travelers Indemn.	12,480,700	11,277,235
19	18	17	Indem. of N. Amer.	12,326,661	12,472,101
20	20	19	Fid. & Dep.	10,886,138	10,825,678
21	22	22	Great Amer. Indem.	10,144,048	10,305,156
22	23	21	European Genl. Reins	10,111,281	9,659,739
23	25	24	National Surety	9,350,526	9,340,393
24	23	23	American Surety	9,288,833	9,534,891
25	22	25	Ocean Accident	8,152,019	9,945,202

<sup>†</sup>Excludes premiums of life department.

## Casualty Companies Ranked by Assets

1938 Rank	1937 Rank	1938 Admitted Assets	1937 Admitted Assets
1	1	Travelers	\$975,527,444
2	2	Aetna Life	621,319,457
3	3	Hartford Accident	75,889,963
4	4	Aetna Casualty	60,060,669
5	5	U. S. Fid. & Guar.	53,356,402
6	6	Fidelity & Casualty	50,396,051
7	7	Employers Liab.	43,677,614
8	8	Maryland Cas.	39,433,623
9	9	Globe Indem.	39,050,269
10	10	General Accident	36,628,611
11	11	Continental Cas.	34,052,618
12	13	Royal Indem.	31,843,601
13	12	Zurich	30,491,427
14	14	Indemnity of N. Amer.	29,796,997
15	15	Travelers Indem.	28,494,319
16	16	American Surety	26,742,979
17	17	New Amsterdam Cas.	25,071,994
18	20	National Surety	24,187,307
19	18	Fidelity & Deposit	23,498,407
20	19	Standard Accident	23,490,267
21	23	American Auto.	22,753,338
22	21	European Genl. Reins.	22,323,755
23	22	Mass. Bonding	21,096,338
24	24	Hartford Steam B.	19,975,618
25	26	Pa. Mfrs. Assoc.	18,786,626
26	25	Ocean Accident	18,530,769
27	27	General Reins.	17,160,835
28	30	Great Amer. Indem.	17,076,407
29	31	U. S. Guar. Co.	16,063,554
30	26	Employers Reins.	15,871,846
31	29	London Guar. & Acci.	15,242,956
32	32	American Reins.	13,751,516
33	33	Century Indemnity	12,029,242
34	36	Pacific Indemnity	11,766,053
35	34	Glens Falls Indem.	11,218,960
36	35	American Employers	11,168,100
37	38	Firemans Fund Ind.	10,743,076
38	42	St. Paul-Mercury Indem.	10,667,747
39	37	Metropolitan Casualty	10,314,808
40	39	U. S. Casualty	10,086,629

<sup>\*</sup>Includes Assets of Life Department.

13; Chicago and Indianapolis, March 15; Milwaukee and Cleveland, March 17; Minneapolis, Buffalo and St. Louis, March 20; Rochester, March 21; Des Moines and Syracuse, March 22; Albany, N. Y., and Dallas, March 23; Kansas City, March 24; Los Angeles, March 29; San Francisco, April 1, and Denver, April 12.

The following home office men will attend the meetings: Vice-Presidents C. G. Hallowell and R. I. Catlin, Secretary W. J. O'Donnell, Agency Secretary E. C. Knapp, Secretary L. K. Babcock, Assistant Secretary J. B. Johnson; L. B. Fowler, A. E. Redding, F. W. Potter, A. D. Bryan and R. C. Larson, field supervisors; and W. W. Ellie, G. M.

O'Brien and C. M. Knowles, Home office representatives.

Subjects to be discussed will be: Accident insurance, new sales methods for fidelity bonds, agency management, the Aetna plan of risk analysis, including a presentation of the new program of agency service; the rating, underwriting and sale of automobile insurance, and Aetna claim service.

### New Rate for Special Accounts

The Towner Rating Bureau has set up a special rate for insurance on checking accounts for which a minimum deposit is not required and where the customer buys blank checks at a nominal

## High Standing of Insurance Is Shown

### Spencer Welton Declares the Industry Stands on the Heights

MINNEAPOLIS. — Vice-President Spencer Welton of the Massachusetts Bonding, who spoke before the banquet of the Minneapolis Insurance Club, declared that with the possible exception of banking he has never found any business industry on so high a plane as insurance. Never has he found monopoly so remote as in insurance, he added. The rank and file of insurance men, he declared, grade very much above the average in initiative, loyalty and individual achievement. Insurance today, he finds, is bearing at least a considerable part of the brunt of very widespread and very definite, sometimes unconscious but always dangerous attempts to emasculate private enterprise, to limit opportunity and to repress initiative. In some states at least, all the time insurance is in some fashion fighting for its life.

He called attention to the compulsory automobile insurance bills that are introduced in almost every legislature. He deplored the effort to establish monopolistic state automobile insurance funds.

Mr. Welton expressed the belief that insurance people are too self centered to make a study of public relations and the methods whereby their industry can be presented in a more favorable and clearer light to premium payers. He stressed the importance of electing to office men of high caliber who are really representative.

## Indiana Assembly Quits, No Adverse Measures Enacted

INDIANAPOLIS. — The Indiana legislature has adjourned. No legislation inimical to the insurance business was passed, although an hospitalization measure, permitting organization of such plans under the non-profit corporation act was passed. It may fail, however, to get the governor's signature.

No change was made in the compensation act and the bill to establish a state fund died in committee. The bill to increase compensation benefits was defeated. The bill to establish a state fund for bonding public employees died in the committee as did also a bill for compulsory automobile insurance.

A bill died in committee which would have increased taxes on investments and would have imposed restrictions upon the operations of insurance companies.

What is regarded as a good measure that was passed is a bill to permit any state, county, township or municipal unit to obtain property damage and liability insurance on motor vehicles used in the function of their government, or may order the owners of such vehicles to obtain insurance. It also prohibits insurance companies from using the performance of a government function as a defense in legal actions because of accidents.

A special senate committee made a report after investigating the operation of the compensation bureau but no action was taken other than acceptance of the report, which will be used as a basis of study of the operation of the bureau for possible consideration later.

charge. The rate will be 7½ cents per account, applying under clause D of bankers' blanket bond form 8 revised or bankers' blanket forgery and alteration bond. Heretofore the rate has been 30 cents for banks with 25 or less employees and 35 cents for larger institutions.

## WORKMEN'S COMPENSATION

### Retrospective Plan Now in 24 States

NEW YORK.—Use of the retrospective rating plan for workmen's compensation insurance is now authorized in 24 states and in the District of Columbia. In addition the plan, slightly modified, has been sanctioned in California, Massachusetts, Michigan, New York and Texas.

As fast as experience is obtainable the National Council on Compensation Insurance makes careful tabulation of premiums and losses, and thus far the revealed record is held to be satisfactory, indicating the primary purpose of the plan—reduction in accident frequency—was being attained in degree.

### Pedestrians Killed by Carelessness

HARTFORD, CONN.—Almost 8,000 pedestrians lost their lives last year through their own careless actions, according to the safety education department of the Aetna Casualty.

Reports from a majority of the states show that last year six factors accounted for 50 percent of all pedestrian fatalities. Since approximately 45 percent of all automobile fatalities involved pedestrians, these six factors were responsible for nearly one-fourth of all traffic fatalities in 1938 and are directly the responsibilities of the pedestrians themselves.

Here are the six actions: Crossing at intersections with no signals; stepping into the street from behind parked cars; crossing between intersections; walking on rural highways; playing in the street and roadway; crossing intersections diagonally.

### Arkansas Decision Is Up to Governor

Apparently Governor Bailey will be the one to make the decision as to the type of compensation law that shall be introduced in Arkansas and the manner in which the risk shall be insured.

Neither house of the legislature was prepared to make that decision. The lower house passed two bills, one providing for insurance in a state fund and the other placing the risks with commercial companies. The senate passed four bills.

This gives Governor Bailey a variety of legislation from which to make a selection. It is probable that he will hold hearings before making his final decision.

### Credits Good Compensation Record to U. S. Spending

ST. PAUL—Liberal expenditures by the federal government are credited by the Minnesota compensation insurance board in its report to the legislature, with being a factor in recent rate reductions in Minnesota.

"Decreases in federal expenditures within the state may possibly have some bearing on compensation rates in the future," the report concludes.

In response to the criticism sometimes heard that compensation rate making is too complicated, the report says that compensation is the most complex insurance line. It is part compensation and part employers' liability. The hazard is profoundly affected by alterations of economic prosperity and economic depression. It is subject to constant legislative change. "To construct a system that will cope with all

these factors is no simple task," the board avers.

The contingency factor, which has been attacked, the board states, slows down rate decreases where there has been during past years an underwriting loss and retards increases where there has been an underwriting gain. It tends to be a stabilizing element.

### Oklahoma Board Is Enlarged

An act to establish a five member state industrial commission in place of three members, as at present, was signed by the Oklahoma governor. Members are to be appointed by the governor for terms concurrent with his own, and whom he can remove for cause. The act automatically legislated out of office Matt McElroy, Andrew Fraley and Ed Bason, but Governor Phillips indicated that McElroy and possibly one of the others will be reappointed. The bill prohibits transfer of compensation cases without consent of litigants on both sides. Right of appeal to the supreme court is given.

### Company Is Judge of Reserves

NEW YORK—The right of an insurer to control its cash reserves has been upheld by the classification and rating committee of the Compensation Insurance Rating Board. The insurer had set up a reserve to carry the claim of an employee of the Stock Exchange Luncheon Club and the reserve was included in the experience for policy year 1938. The assured contended the reserve should have been taken down before the valuation date. The committee held that the company, having reviewed the case periodically, was justified in withdrawing the reserve only when convinced it was safe to do so.

### Names Two Commission Members

DENVER—The probability that action will be taken shortly on request for revision of compensation rates in this

state, with a new schedule based on a series of constants was increased this week by appointment by Governor Carr of two new members of the state industrial commission. The appointments also reduce the possibility of adoption by the legislature of a plan for establishing a monopolistic state fund. W. I. Reilly, Denver, Republican leader succeeds W. H. Young, sponsor of the fund plan, whose term expired. Reilly previously served two terms on the commission. He will serve for six years. A. H. King, Democrat and former member state land board, fills the vacancy on the commission left by the recent death of George Lewis.

## CHANGES

### P. F. Williams in Mountain Field

Perry J. Glover of Denver, manager New Amsterdam Casualty for Colorado, Wyoming, New Mexico, Utah and Montana, announces the appointment of P. F. Williams as field supervisor. Mr. Williams is being transferred to Denver from the New Amsterdam's Philadelphia office.

### Opens Branch for Delaware

W. H. Fortna has been appointed manager of the newly opened office of United States Fidelity & Guaranty in the Delaware Trust building, Wilmington, Del. This office will handle the entire state, which had formerly been represented by an agent. Mr. Fortna was formerly in Harrisburg, Pa., for U. S. F. & G.

Roy B. Meyer, for the past two years connected with the Chicago office of Jos. Froggatt & Co., has been transferred to Dallas, Tex., as assistant manager.

C. H. Parsons, first vice-president Brooks & Stafford Co., Cleveland, and his wife are spending two months in Florida and the south.

*Casualty, Fidelity and Surety Reinsurance*

## GENERAL REINSURANCE CORPORATION

90 JOHN STREET, NEW YORK • 200 BUSH STREET, SAN FRANCISCO

*Financial Statement, December 31, 1938*

Assets	
Cash in Banks and Offices.....	\$ 791,804.64
Investments:	
Bonds.....	\$ 8,455,438.57
Preferred Stocks.....	11,000.00
Common Stocks.....	4,380,246.18
North Star Insurance Co. Stock (96.39% of total).....	2,191,599.49
Mortgage Loans.....	188,783.33
Real Estate.....	305,000.00
Total.....	15,532,067.57
Premiums in course of collection (not over 90 days due).....	632,066.68
Accrued Interest.....	54,789.32
Other Admitted Assets.....	150,107.04
Total Admitted Assets.....	\$17,160,835.25

### Liabilities

Reserve for Claims and Claim Expenses.....	\$ 6,272,752.78
Reserve for Unearned Premiums.....	2,248,841.37
Reserve for Commissions, Taxes and Other Liabilities.....	909,125.53
Voluntary Reserve.....	730,115.57
Capital.....	\$1,000,000.00
Surplus.....	6,000,000.00
Surplus to Policyholders.....	7,000,000.00
Total.....	\$17,160,835.25

Bonds and stocks owned are valued in accordance with the requirements of the New York State Insurance Department, viz.:—Bonds on an amortized basis, North Star stock on the basis prescribed by the New York Insurance Law, other stocks at December 31, 1938 market quotations. If bonds owned were valued on the basis of December 31, 1938 market quotations, Total Admitted Assets would be increased to \$17,291,736.68 and Voluntary Reserve to \$861,017.00. Securities carried at \$974,825.09 in the above statement are deposited as required by law.

# “Five Dollars’ Worth of groceries, please *It doesn’t matter what . . . IT’S FOOD, ISN’T IT?*”



THE absent-minded professor may buy food that way. But your important customers don’t. Housewives demand that you keep a wide variety on your shelves so that you can fill their special needs at a moment’s notice. And many products *must* be fresh *daily*.

So the experienced housewife of today does not turn her kitchen pantry or her cellar into a food warehouse. She gladly pays your slight profit for your services as an expert middleman who knows his groceries.

When the retail grocer buys insurance from the experienced agent or broker of a stock insurance company he does not say “\$50 worth of insurance please”. He asks for and gets the advice and full

services of an expert purchasing agent in the complex insurance field, like himself an expert middleman. No worries about uncovered risks that might wreck a business.

\* \* \*

Because we believe so thoroughly in the services of an expert middleman whether retail grocer, insurance agent or broker, we refuse to accept business direct because it is not in the interests of the Company or the assured to do so. When *you* buy National Surety Fidelity Bonds, Surety Bonds, Burglary or Forgery Insurance through your local insurance agent or broker, you deal with a customer and friend who is a fellow member and supporter of the American Business System.

● This is a reprint of an advertisement of National Surety Corporation which appeared in National Grocers Bulletin, a leading publication in the grocery trade. It was directed to the independent business men in the grocery trade in your city.

This advertisement has also appeared in a long list of banking and financial publications. It is an effective sales help to our agents and another proof of our belief in and support of the American Agency System as a part of the American Business System.

## NATIONAL SURETY CORPORATION

VINCENT CULLEN, President

## CASUALTY PERSONALS

Dr. S. J. Russell, medical director of **United of Chicago**, is vacationing in Miami, in company with President O. T. Hogan, who has been there for several weeks.

The **Michigan Mutual Liability** of Detroit had a formal opening of its newly enlarged and equipped hospital at East Jefferson and Joseph and Campau avenues. The company established its own industrial hospital in 1916. It was desirous of rehabilitating injured workmen

as soon as possible and yet have the surgical work done in a very skillful way. This service met with general approval. A growth in number of workmen's compensation policyholders, together with new services necessitated by the Michigan occupational disease law passed in 1937 made it apparent that further expansion was required. Dr. H. N. Torrey is the surgical director.

**Edward C. Graff**, manager Newark branch office General Accident, will be

tendered a testimonial dinner in honor of his 25th anniversary with the company, March 16. Agents of the company in New Jersey will be hosts.

At a dinner in Boston Vice-president Benjamin Rush, Jr., of the **Indemnity of North America** presented D. W. Taylor, Boston manager, the John A. Demand trophy, awarded on the basis of increased production and favorable loss and expense ratios.

**V. H. Bartholemew**, Chicago manager of Standard Accident, is vacationing until about April 1 in his winter home in Clearwater, Fla.

**J. D. Dorsett** was presented with a watch by his fellow workers of the North Carolina Industrial Commission, of which he has been permanent commissioner. He has left to take up his new duties as casualty manager of the Association of Casualty & Surety Executives.

**B. E. Waite**, assistant manager of the life and accident claim department of Travelers, died in Hartford hospital of pneumonia at the age of 58. He went with Travelers in Cincinnati in 1906 as an adjuster, then served in Pittsburgh, was promoted to assistant chief adjuster at the head office in 1921 and was later promoted to the position he held at the time of his death.

**Donald W. Brassill**, special risk department Aetna Casualty, observed his 25th anniversary with the company. For most of the time he has been an underwriter, for many years in the compensation and liability department and during the last few years in the special risk department handling larger casualty risks.

**W. H. Alger**, Continental Casualty, Chicago, has returned from vacationing in Florida by way of New York.

**Freeman P. Davis**, Indiana casualty manager of the Travelers, celebrated his 20th anniversary with the company. Agents helped celebrate by sending in one or more orders for new casualty business, with special emphasis on high limits, setting a new single day casualty production record in the history of the Indianapolis office. Mr. Davis has been a consistent advocate of high limits, believing no one should be under-insured when he can double his liability limits for only about 20 percent additional premium. About his first case when he went to Indianapolis was writing an automobile policy for a prominent local citizen for \$500,000/\$500,000 limits, the premium being less than double that charged for \$5,000/\$10,000 limits.

Mr. Davis has been manager at Indianapolis since 1929, going there from Los Angeles where he was assistant manager for eight years, after having started as a field representative in the Detroit office in 1919. Mr. Davis is a "low" champion as well, being present senior golf champion for Indiana. He is past president of the Casualty Club of Indianapolis.

**National Casualty** of Detroit has opened offices at 211 Times building, Chattanooga, with T. B. Howard as district agent for southeast Tennessee.

The 41st anniversary of the founding of the **Maryland Casualty** on March 1, 1898, was observed at the home office in Baltimore. The Maryland has grown from its original seven employees and a two-room home office to its present status with 10,000 agents, contacted by more than 100 general agents and branch offices.

**Walter R. Moore**, state agent Fireman's Fund Indemnity at Columbus, O., is ill in Grant Hospital there with a heart attack. His condition is reported to be improved.

The agents and employes of the Harrisburg, Pa., branch of the United States Fidelity & Guaranty gave a testimonial dinner to District Supervisor **W. H. Fortna**, who has been made manager at Wilmington, Del. About 50 were present.

**Waller S. Lane**, city supervisor for the Chicago office of the United States Fidelity & Guaranty, was tendered a

luncheon this week by his associates in honor of his 25th anniversary with the company. He started with the U. S. F. & G. in Baltimore and then was shifted to Chicago when George Brennan was manager. He became connected with the auditing department. He studied fidelity bonds and was an authority on that line. He was given a gold wrist watch by his associates and silver candle sticks by the company. Manager W. O. Schilling presided.

**Manley W. Rayley**, 78, vice-president and one of the founders of the Travelers Health Association of Omaha, died.

## SURETY

### Personal Surety and School Losses

Owing to the fact that a township treasurer or treasurers handling public school money have had personal sureties in some sections of Illinois and on account of default school money has been irretrievably lost, there is a sharp swing toward corporate sureties. In very many lines personal surety is almost outlawed because the experience has been so tragic.

In some districts the treasurer through irregularities has defaulted or allowed public money to filter through his private purse. When an attempt was made to collect on the personal surety none was forthcoming as the surety was financially crippled so that he could not meet the obligations. The county superintendents in a number of cases have aroused public sentiment against personal surety and in favor of corporate surety. Even in the midst of a treasurer's term they have insisted on replacement of personal surety with a corporate bond. Naturally surety companies are not eager to issue a public official bond in the midst of a term, especially in case of treasurers.

### Michigan Bond Fund Threatened

**LANSING, MICH.**—Auditor General Brown is reported to be having difficulty in securing a full list of official bonds in force in various state governmental divisions, in accordance with a senate resolution recently adopted. The intent of the resolution was to provide foundation for legislation to create a state bonding fund. Surety men hope to head off the threat by a complete showing of losses. The state has a fire fund in which all state property is required by law to be insured. Some exceptions have been made on large extra-hazardous lines in which the risk is concentrated. Indefinite suspension of depository bond requirements for public funds up to the limit of Federal Deposit Insurance Corporation protection is sought in a bill offered in the legislature by Sen. Otto Bishop of Alpena. The suspension is now in effect but under a time limitation expiring July 1. The Bishop bill would remove all mention of a deadline. Surety men find the measure satisfactory.

### U. S. F. & G. Writes Marsch Bond

United States Fidelity & Guaranty is the originating company on the bond covering construction of the fourth section of the Chicago-PWA subway in Dearborn street. The contractor, to whom the job was awarded, is John Marsch, Inc., of Chicago. Its bid was \$2,094,766. The bond is in 50 percent of that amount.

**Automobile and General Casualty Man** with underwriting and executive experience in general casualty lines—several years as manager of automobile department of large general agency—desires position with brokerage office or local agency. Chicago or midwest territory preferred, but will consider other locations.

ADDRESS J-73, NATIONAL UNDERWRITER

### ALL RISK PUBLIC LIABILITY INSURANCE

No Policy is better than its worst exclusion. Sell comprehensive Public Liability Insurance. It is real Protection.

### Great Lakes Casualty Company Detroit, Michigan

#### COMMERCIAL STANDARD'S STOREKEEPERS BURGLARY & ROBBERY

policies meet the  
*Individual Requirements*  
of each merchant:

**Form I. Baby**—limited to \$100 under each of the seven Burglary coverages.

**Form II. Standard**—limited to \$250 under each of the seven Burglary coverages.

**Form III. Flexible**—permits unlevel amounts under any one or more coverages.

**Form IV. Special**—excludes Open Stock at a reduced premium.

Special discounts allowed (1) on preferred risks, and (2) where three or more locations are insured under one policy.



**COMMERCIAL STANDARD  
INSURANCE COMPANY**

FORT WORTH, TEXAS

## ACCIDENT AND HEALTH

### SOCIALIZED HEALTH TERMED UNWORKABLE

PHILADELPHIA — High sounding terms and sweet phrases may disguise it but the cold fact remains that socialized health insurance is impractical and unworkable. If for no other reason than the mere fact that its cost is too high. So E. H. O'Connor, assistant secretary Bankers Indemnity, told the Accident & Health Club of Philadelphia.

"I do not believe we are on the threshold of compulsory health insurance at this time," he said, "but like an epidemic of disease, if not curtailed in the beginning, it is apt to keep bobbing up every legislative year, each time gaining more misguided followers until it is accepted."

"And where," asked O'Connor, "does general revenue come but from taxation?"

Then he went on to show that while the Wagner bill claimed not to be health insurance, its provisions were nothing but health insurance.

He asserted that "private insurance companies can furnish better protection for less cost than any governmental body" and he urged his hearers to "come out and meet the issue with protection that will answer the needs of Mr. John Q. Public at a price he can afford to pay."

### MARYLAND LAUNCHES A. & H. DRIVE IN RABBIT'S FOOT MOTIF

Maryland Casualty has launched a novel promotional campaign for personal accident insurance, based on the slogan "It Didn't Work For the Rabbit," referring to the belief in the rabbit's foot as a lucky charm.

Agents are supplied with rabbit's foot gadgets to present to prospects at the time of solicitation.

The rabbit's foot is mounted on a chain, to which is attached a tag bearing this message: "It didn't work for the rabbit: Protect yourself with accident insurance."

A series of unusual promotion aids are being offered to the field force.

The campaign opens with full-page advertising during March in Time, Fortune, Business Week, Forbes, Banking and insurance journals.

A sales letter based on the rabbit's foot idea is being mailed from the Maryland's home office to prospects whose names are sent in by agents. A window display placard, blotters and other material bearing the rabbit's foot illustration were prepared for the use of agents.

A booklet gives the origin and history of the belief in the rabbit's foot as a good-luck charm. Preparation of the booklet involved research to establish the various forms in which the superstition appears. Many thousand copies are being distributed.

### J. D. RINGWALT CLARIFIES PLANS FOR NEW OMAHA COMPANY

J. D. Ringwalt, local agent of Omaha, states that the article reporting the organization of National Finance Health & Accident Association of Omaha is erroneous in certain respects. This projected company, according to Mr. Ringwalt, intends to seek contracts from various finance companies of the better class in Nebraska, whereunder borrowers would be insured against accident and sickness. The article indicated that the company was to be used merely to insure the borrowers of the Wimsett system, which is a personal finance loan chain.

Mr. Ringwalt also denies the statement that the policies are to be rein-

sured 100 percent in London Lloyds. Mr. Ringwalt states that for the past several years he has had a license to write business in Nebraska with non-admitted companies, including Lloyds and he has tried to the best of his ability to be ethical in his operations. "I have never at any time," he states, "thought it was proper practice to form a company and reinsure the policies 100 percent in Lloyds nor has such procedure ever been considered by me at any time."

It is true, he said, that the subject of catastrophe reinsurance for National Finance Health & Accident has been discussed but a 100 percent reinsurance deal is not under consideration. Mr. Ringwalt is one of the incorporators of the proposed company.

### SON SUCCEEDS FATHER AS COMPANY SECRETARY

Richard L. Spangler has been elected secretary of Woodmen Accident of Lincoln, Nebr., succeeding his father, C. E. Spangler, who has relinquished that position after having had the title for 45 years. C. E. Spangler continues,

however, as chairman of the board. R. L. Spangler heretofore has been assistant secretary.

### COMMISSIONER WILLIAMS TO SPEAK

Much interest is being taken in the forthcoming convention of the Industrial Insurers Conference at the Edgewater Gulf Hotel, Edgewater Park, Miss., May 18-20. One of the chief addresses will be given by Insurance Commissioner Williams of Mississippi who will speak the first day. Executive Vice-president E. W. Craig of the National Life & Accident will talk on "Improving Public Relations." There will be an interesting discussion on agency turnover and company investments. F. P. Samford, president of the Liberty National Life is chairman and will give the report of the administration.

### CRISS CLUB MEETS AT SALT LAKE

The Criss Club of the United Benefit Life and Mutual Benefit Health & Accident, made up of agents from Utah, Idaho and Nevada, met in Salt Lake City to honor leading producers. Special guests were the Deans Club of Utah. They were introduced by F. E. Walker, senior member Walker-Hiner Agency, general agents. District Agent Harry Paul presided. Speakers included J. J.

Crane, agency supervisor; J. D. Spencer, who responded on behalf of the Deans; and F. W. Bland, San Francisco, western representative THE NATIONAL UNDERWRITER. Mr. Crane reported in February the company doubled its amount of life insurance business and in A. & H. was 50 percent ahead of January.

### Cover High School Athletes

The board of control of the Nebraska High School Activities, Lincoln, Neb., will shortly submit to the members a plan to organize a mutual benefit insurance association, with athletes paying a small fee for which they will receive treatment for injuries suffered in sporting contests.

In Iowa the Iowa High School Insurance Company was formed last December for covering injuries to athletes. The coverage is sold to schools at 50 cents per person insured.

Several companies including the Illinois Mutual Casualty sell this coverage.

Frank N. Deans, 87, representative of the Massachusetts Accident at Portland, Me., for 44 years, died.

The annual accident prevention conference will be held in St. Paul April 11. The Minnesota Safety Council will stage its annual award dinner.

## BITUMINOUS CASUALTY CORPORATION

ROCK ISLAND ILLINOIS



### FINANCIAL STATEMENT

DECEMBER 31, 1938

#### ASSETS

BONDS: (Amortized Values)  
United States Gov't. \$2,772,957.56\*

Political Subdivisions  
of States ..... 30,856.49  
Railroad ..... 270,239.70  
Public Utility ..... 67,377.90  
Industrial ..... 49,533.65

TOTAL BONDS ..... \$3,190,965.30

STOCKS: (Market  
Values)

Preferred—Railroad &  
Public Utility ..... \$ 132,700.00  
Common—Public Utility ..... 58,200.00

TOTAL STOCKS ..... 190,900.00

TOTAL SECURITIES ..... \$3,381,865.30

Cash (Including cashier's checks for  
\$30,000.00 deposited as collateral  
for appeal bonds) ..... 1,777,560.76

Premiums in Course of Collection less  
than 90 days due ..... 934,080.95  
Accrued Interest on Bonds ..... 16,812.16

TOTAL ADMITTED ASSETS ..... \$6,110,319.17

#### LIABILITIES

Reserve for Claims ..... \$2,841,039.05

Reserve for Unearned Premiums:

100% Advance De-  
posits (Guarantee  
for Payment of  
Monthly and Quar-  
terly Earned Pre-  
miums) ..... \$1,043,126.28

Unearned Portion of  
Annual Payment  
Basis Premiums ..... 457,389.82 1,500,516.10

Reserve for Unpaid Dividends ..... 7,500.00

Reserve for Taxes and Reinsurance ..... 107,522.75

Reserve for Commissions and Other  
Expenses ..... 388,048.90

Voluntary Reserve—For Fluctuation in  
Market Value of Securities (Excess  
of Amortized over Market Value of  
Bonds Owned) ..... 54,845.30

TOTAL LIABILITIES ..... \$4,899,472.10

Capital ..... \$300,000.00

Surplus ..... 910,847.07

SURPLUS AS REGARDS POLICY-  
HOLDERS ..... 1,210,847.07

TOTAL LIABILITIES, CAPITAL  
AND SURPLUS ..... \$6,110,319.17

\*United States Government Bonds carried at \$279,831.65 in the above statement are deposited as required by law.  
United States Government Bonds and Cash represent 74% of the Total Admitted Assets.  
No Bonds in Default as to Principal or Interest.

### DATA SHOWING PROGRESS IN RECENT YEARS

YEAR	TOTAL ADMITTED ASSETS	NET WRITTEN PREMIUMS	SURPLUS TO POLICYHOLDERS
1934	\$1,970,023.65	\$1,855,801.14	\$ 374,313.71
1935	2,926,979.23	2,927,145.42	564,131.58
1936	4,286,769.56	4,015,593.74	946,730.97
1937	5,475,162.14	5,215,595.49	1,035,072.61
1938	6,110,319.17	4,721,343.54	1,210,847.07

## ASSOCIATIONS

### Harlan President at Pittsburgh

PITTSBURGH—J. E. Harlan, Fidelity & Deposit, was elected president of the Surety Association of Pittsburgh. Other officers are A. C. Supplee, U. S. F. & G. vice-president; H. S. Bepler, general agent Virginia F. & M. and Manhattan F. & M., secretary-treasurer. The executive committee consists of the officers, Past President W. J. Zwinggi, of Logue Brothers, and newly elected members: William Johnson, Aetna Casualty; A. A. Hawthorne, U. S. F. & G.; E. W. Murphy, Patterson agency, and A. A. Rohrich, American Surety.

### Graham Heads Chicago Engineers

A. R. Graham, Bituminous Casualty, was elected president Casualty Engineers Association of Chicago.

Vice-presidents elected are G. H. Cain, New Amsterdam Casualty, I. L. Stone, Youngberg-Carlson; A. J. Shayne, Zurich.

H. B. Salter, U. S. Casualty, was elected treasurer and J. G. Loeding, Western Casualty, reelected secretary. The new members of the executive committee, in addition to the officers,

are: L. M. Byerly, Employers Mutual Casualty; J. F. Smirz, Standard Accident, and C. B. Frink, Employers Mutual Casualty.

### New Jersey Claim Group Meets

NEWARK—The New Jersey Claim Association reelected all officers at the annual meeting. The only change was election of H. D. Young, Liberty Mutual, to the board of governors. Mem-

bership is composed of claim men of casualty companies operating business in New Jersey.

The Surety Underwriters Association of Southern California has set March 10 as the date for its annual party in Los Angeles.

More than 130 attended the get-together of the Kansas City Claim Men's Association.

## NEWS OF CASUALTY COMPANIES

### Bituminous Casualty Annual Statement

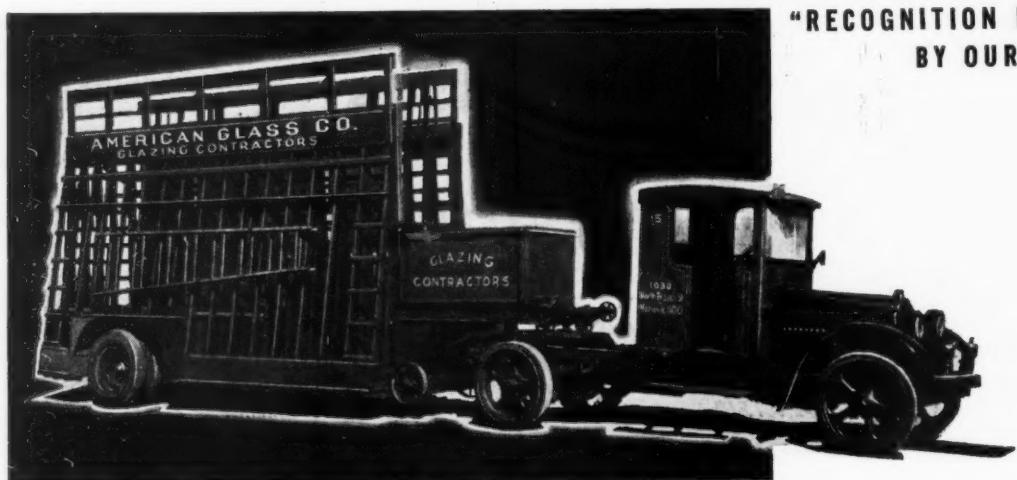
The Bituminous Casualty of Rock Island, Ill., started in 1917 writing exclusively workmen's compensation, public liability and property damage. Last year's statement submitted by President H. H. Cleaveland shows assets \$6,110,319 increased from \$5,475,162. Policyholder's surplus was \$1,210,847, gain 17 percent. The surplus item is pleasing to the management showing that its program improving company-agency relations has resulted directly in a bet-

ter class of risks. The premiums were \$4,721,345. Its government bonds are \$2,772,958 and cash \$1,777,561 representing 74 percent of the assets. No bonds are in default as to principal and interest. The company owns no real estate or mortgages. Underwriting profits have been consistently realized. Its capital is \$300,000 and net surplus \$910,847. Its premium reserve is \$1,500,516, claim reserve \$2,841,039.

### Iowa Federation Creates Insurer

DES MOINES—The Iowa Farm Bureau Federation has established an insurance company to handle insurance

### "RECOGNITION MERITED BY OUR SERVICE"



## LOW BRIDGE

Service, to be reliable, must be complete. The American Glass Company recognizes this fact and it contemplates certain obstacles and difficulties as in any other line of business.

An example: We have had built a special trailer truck so constructed that it will take the largest plate of glass required in any Chicago location. It is designed so that it can pass under low bridges, viaducts, etc., thus avoiding detours and affording greater speed in plate glass replacement. It is the only one of its kind in Chicago.

The complete, reliable and prompt service of the American Glass Company has made it the outstanding plate glass replacement organization in Chicago.

PHONE  
MOHawk 1100

American Glass Company  
1030-42 NORTH BRANCH STREET • CHICAGO

for its members, but has not yet put the plan into operation. The executive board is waiting until enough pledges of business are received to assure successful operation before going ahead. The association will handle automobile insurance only and will be limited to members.

The federation at its convention recently canceled its contracts with State Farm Mutual Automobile of Bloomington, Ill.

### Hawkeye Casualty—United Auto Deal Is Consummated

DES MOINES—Hawkeye Casualty has purchased United Automobile of Grand Rapids, Mich., and will take over all assets and assume all outstanding policies and liabilities of United.

Stockholders of United have the option of either \$9.10 per share cash, or one share of Hawkeye stock for each 3 1/10 shares of United.

The United home office in Grand Rapids will become the Michigan branch of Hawkeye Casualty.

United has confined its operations to Michigan, writing full cover auto.

### Issue Examination Report on Allstate Companies

The Illinois department has released the report of its examination as of Sept. 30, 1938, of Allstate and Allstate Fire of Chicago, the Sears, Roebuck & Co. insurers. Also participating in the examination were Alabama, District of Columbia and Connecticut. Assets of Allstate were \$4,274,695, capital \$350,000 and net surplus \$1,301,113.

Assets of Allstate Fire were \$997,019, capital \$300,000 and net surplus \$344,449. The companies have applied for admission to Florida, Mississippi, Nevada and New Mexico.

A combination automobile policy is issued. Forty percent of the premium is collected on the effective date of the policy, 30 percent 90 days thereafter and 30 percent six months after the effective date. In New York state premiums are accepted on an installment plan providing for 20 percent on the effective date and the balance in eight equal monthly installments.

Business is written at manual in Louisiana, New Hampshire, New York, North Carolina, Oklahoma, Texas and Virginia but a dividend is paid to policyholders in those states to reduce the premium to a rate comparable to the rate in the other states where the original charge ranges from 70 to 90 percent of manual.

About 70 percent of new business and 40 percent of renewal business is produced by agents. The rest is done by mail. There are about 160 agents. The companies maintain 72 branches, mostly in Sears, Roebuck & Co. retail stores.

General agents contracts provide for first year commissions of 15 percent and renewals at 7 1/2 percent. Sub agents that are on a strictly commission basis and have a contract direct with the company get first year commissions of 10 percent and renewals of 5 percent. Other agents contracts provide for first year commissions ranging from 10 percent to 5 percent with no renewals and a salary ranging from \$50 to \$100 per month. Some agents are employed on a straight salary basis with no commissions and the amounts paid average about \$110 per month.

Premiums earned by Allstate during the first nine months of 1938 were \$1,742,843 and losses incurred \$689,531. Expenses incurred were \$738,390.

Net premiums written of Allstate Fire for the first nine months were \$438,735, claims paid \$118,394 and other disbursements \$226,840.

Executive offices of the Associated Indemnity and Associated Fire & Marine have been moved to the modernized eighth floor of the companies' building in San Francisco. The entrance to the building and the elevators are being modernized.

## Casualty Company 1938 Experience

**Accident & Casualty**—Assets, \$3,370,351; inc., \$369,133; unearned prem., \$368,038; loss res., \$47,696; liab. res., \$130,557; comp. res., \$7,892; capital, \$850,000; surplus, \$1,650,000. Experience:

Net Prems. Losses Pd.		
Accident	\$ 5,974	\$ 460
Health	482	...
Auto liability	398,051	45,460
Other liability	60,949	4,830
Workmen's comp.	30,706	3,249
Fidelity	633	...
Surety	2,060	...
Plate glass	25,713	8,923
Burglary and theft	32,283	7,808
Auto prop. damage	116,054	25,717
Auto collision	2,761	633
Other P. D. and coll.	1,003	147
Total	\$ 676,669	\$ 97,227

**Allstate, Ill.**—Assets, \$4,056,667; inc., \$773,330; unearned prem., \$1,158,470; loss res., \$124,998; liab. res., \$1,036,169; capital, \$350,000; surplus, \$868,917; inc., \$184,387. Experience:

Net Prems. Losses Pd.		
Auto liability	\$ 1,912,913	\$ 602,129
Auto prop. damage	558,403	195,595
Total	\$ 2,471,316	\$ 797,724

**American Cas., Pa.**—Assets, \$4,058,154; inc., \$866,660; unearned prem., \$1,425,908; loss res., \$91,716; liab. res., \$775,584; comp. res., \$295,383; capital, \$550,000; surplus, \$550,000; inc., \$50,000. Experience:

Net Prems. Losses Pd.		
Accident and health	\$ 145,577	\$ 45,654
Auto liability	1,721,362	625,975
Other liability	201,559	33,910
Workmen's comp.	606,707	193,585
Plate glass	74,998	29,417
Burglary and theft	80,364	21,826
Auto prop. damage	667,666	277,434
Auto collision	19,287	7,820
Other P. D. and coll.	8,244	239
Total	\$ 3,525,764	\$ 1,235,860

**Amer. Employers**—Assets, \$11,168,100; inc., \$1,138,230; unearned prem., \$2,400,907; loss res., \$494,162; liab. res., \$1,545,918; comp. res., \$1,292,425; capital, \$1,000,000; surplus, \$2,750,000; inc., \$690,209. Experience:

Net Prems. Losses Pd.		
Accident	\$ 68,050	\$ 28,136
Health	5,644	1,729
Auto liability	1,869,370	1,084,856
Other liability	786,454	222,588
Workmen's Comp.	1,771,549	841,000
Fidelity	241,616	47,355
Surety	235,594	12,176
Plate glass	88,366	33,721
Burglary and theft	231,393	56,360
Steam boiler	73,683	5,379
Engine and mach.	16,385	729
Auto prop. damage	555,754	183,506
Auto collision	32,449	15,526
Other P. D. and coll.	57,273	7,842
Collective	166	...
Total	\$ 6,033,746	\$ 2,540,903

**Amer. Fid. & Cas., Va.**—Assets, \$2,813,506; inc., \$260,818; unearned prem., \$180,447; loss res., \$137,535; liab. res., \$568,640; capital, \$675,000; surplus, \$834,866; inc., \$158,397. Experience:

Net Prems. Losses Pd.		
Auto liability	\$ 2,761,531	\$ 1,449,732
Auto prop. damage	630,509	405,541
Auto collision	967	15
Other P. D. and coll.	.....	1,357
Total	\$ 3,393,007	\$ 1,856,645

**American General, Tex.**—Assets, \$2,168,974; inc., \$520,007; unearned prem., \$682,023; loss res., \$64,845; liab. res., \$150,145; comp. res., \$128,501; capital,

\$500,000; surplus, \$557,325; inc., \$234,082. Experience:

Net Prems. Losses Pd.		
Auto liability	\$ 265,620	\$ 90,497
Other liability	14,576	43
Workmen's comp.	264,545	105,258
Fidelity	2,698	773
Surety	100,927	1,120
Plate glass	19,128	6,506
Burglary and theft	6,743	1,553
Auto prop. damage	82,436	32,038
Auto collision	119,698	58,601
Other P. D. and coll.	2,059	658
All other	399,722	116,019
Total	\$ 1,278,152	\$ 413,066

**American Policyholders**—Assets, \$2,062,965; inc., \$118,084; unearned prem., \$118,779; loss res., \$100,087; liab. res., \$645,466; comp. res., \$16,335; capital, \$350,000; surplus, \$300,000; inc., \$50,000.

Net Prems. Losses Pd.		
Auto liability	\$ 659,203	\$ 399,656
Liability other	6,699	4,464
Compensation	22,022	8,948
Auto prop. damage	377,679	143,953
Auto collision	6,048	1,679
Misc. P. D. & C.	607	161
Total	\$ 1,072,258	\$ 558,861

**American States, Ind.**—Assets, \$2,240,945; dec., \$24,506; unearned prem., \$918,486; loss res., \$86,599; liab. res., \$390,675; capital, \$300,000; surplus, \$353,581; inc., \$52,187. Experience:

Net Prems. Losses Pd.		
Auto liability	\$ 1,004,963	\$ 482,335
Auto fire	76,912	15,593
Auto theft	94,479	18,382
Auto prop. damage	423,487	146,062
Auto collision	379,578	203,487
Windstorm	16,555	3,585
Total	\$ 1,998,600	\$ 869,444

**Bankers Health & Life, Ga.**—Assets, \$1,672,664; inc., \$243,552; loss res., \$17,747; capital, \$150,300; surplus, \$166,924; inc., \$23,813.

**Bituminous Cas.**—Assets, \$6,110,319; inc., \$635,157; unearned prem., \$1,500,516; loss res., \$19,307; liab. res., \$134,300; comp. res., \$2,687,432; capital, \$300,000; surplus, \$910,847; inc., \$175,774. Experience:

Net Prems. Losses Pd.		
Other liability	\$ 214,294	\$ 54,963
Workmen's comp.	4,463,559	2,398,147
Other P. D. and coll.	43,490	4,777
Total	\$ 4,721,343	\$ 2,457,887

**Calif. Cas. Indem. Exch.**—Assets, \$3,461,208; inc., \$177,113; unearned prem., \$176,081; loss res., \$22,495; liab. res., \$180,324; comp. res., \$1,170,746; surplus, \$827,291; inc., \$78,692. Experience:

Net Prems. Losses Pd.		
Auto liability	\$ 203,903	\$ 69,531
Other liability	20,526	3,974
Workmen's comp.	1,201,605	543,445
Auto prop. damage	47,651	22,047
Auto collision	51,463	24,556
Other auto	30,334	3,797
Total	\$ 1,555,486	\$ 667,352

**Cas. Reciprocal Exch., Mo.**—Assets, \$2,816,253; inc., \$373,348; unearned prem., \$692,384; loss res., \$1,027,336; surplus, \$905,944; inc., \$116,371. Experience:

Net Prems. Losses Pd.		
Auto liability	\$ 958,239	\$ 465,628
Other liability	113,853	64,350
Workmen's comp.	697,592	407,477
Plate glass	766	105
Auto prop. damage	331,519	129,881
Auto collision	6,822	6,015
Other P. D. and coll.	1,852	461
Other auto	15,292	3,230
Total	\$ 2,125,935	\$ 1,077,147

**Central Assur., O.**—Assets, \$300,345; inc., \$32,260; unearned prem., \$12,587; loss res., \$7,326; surplus, \$210,000; inc., \$10,000. Experience:

Net Prems. Losses Pd.		
Accident and health	\$ 133,333	\$ 42,785

**Clergymen's Co-operative Ben., Pa.**—Assets, \$501,525; inc., \$193,608; liab. res., \$1,396; surplus, \$268,651; inc., \$7,888. Experience:

Net Prems. Losses Pd.		
Accident and health	\$ 37,387	\$ 17,377

**Cont. Merchants Mut., N. Y.**—Assets, \$853,195; inc., \$60,332; unearned prem.,



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\$115,306; comp. res., \$315,670; surplus, \$364,102; inc., \$48,491. Experience: Net Prems. Losses Pd. Workmen's comp. \$ 349,348 \$ 128,108 Total \$ 349,348 \$ 128,108

**Colonial Mut. Compen., Cal.**—Assets, \$455,158; dec., \$14,406; comp. res., \$234,461; surplus, \$176,142; dec., \$82,420. Experience: Net Prems. Losses Pd. Workmen's comp. \$ 331,433 \$ 125,602

**Detroit Auto. Int. Ins. Exch.**—Assets, \$6,203,534; inc., \$598,748; unearned prem., \$2,444,141; loss res., \$176,618; lab. res., \$710,833; surplus, \$2,770,042; inc., \$190,283. Experience: Net Prems. Losses Pd. Auto liability \$ 2,076,066 \$ 740,652 Auto plate glass... 495 773 Auto prop. damage. 877,455 375,074 Auto collision... 1,213,557 861,973 Other auto, fire and theft 620,850 233,938 Total \$ 4,788,423 \$ 2,212,410

**Employers' Lab.**—Assets, \$43,677,614; inc., \$1,195,258; unearned prem., \$9,162,002; loss res., \$1,182,964; lab. res., \$7,508,260; comp. res., \$9,881,293; capital, \$715,000; surplus, \$9,285,000; inc., \$825,055. Experience:

Net Prems. Losses Pd. Accident \$ 330,559 \$ 122,656 Health 73,910 37,615 Non-canc. H. & A. 604 ..... Auto liability 6,935,024 3,828,339 Other liability 4,296,079 1,747,408 Workmen's comp. 9,667,377 5,088,442 Fidelity 546,184 96,966 Surety 223,615 -18,433 Plate glass 321,480 125,637 Burglary and theft. 807,138 183,087 Steam boiler 430,090 36,301 Engine and mach. 171,213 31,912 Auto prop. damage. 1,956,270 732,000 Auto collision 125,507 49,137 Other P. D. and coll. 246,739 43,500 Collective 23,068 8,661 Total \$ 26,154,887 \$ 12,123,228

**Equity Mut., Mo.**—Assets, \$569,666; inc., \$97,705; unearned prem., \$229,700; loss res., \$7,551; lab. res., \$49,444; comp. res., \$45,516; surplus, \$209,213; inc., \$43,492. Experience:

Net Prems. Losses Pd. Auto liability \$ 204,023 \$ 112,744 Other liability 38,448 10,394 Workmen's comp. 138,549 59,502 Surety 12,039 375 Plate glass 2,955 1,589 Auto prop. damage. 82,840 36,225 Auto collision 11,992 5,846 Other P. D. and coll. 38 ..... Total \$ 490,884 \$ 226,675

**Excess**—Assets, \$3,291,402; inc., \$88,493; unearned prem., \$381,277; loss res., \$100,940; lab. res., \$721,820; comp. res., \$259,706; capital, \$755,095; surplus, \$755,083; inc., \$149,701. Experience:

Net Prems. Losses Pd. Accident 5,876 \$ 3,272 Health 48 1,217 Auto liability 435,755 333,791 Other liability 140,682 59,320 Workmen's comp. 104,973 18,542 Fidelity 36,366 5,531 Surety 110,512 31,352 Plate glass 2,864 163 Burglary and theft. 8,239 1,707 Steam boiler 1,049 ..... Engine and mach. 11,857 ..... Auto prop. damage. 12,848 15,282 Other P. D. and coll. 7,265 2,263 Total \$ 878,334 \$ 522,484

**Farm Bur. Mut. Auto., O.**—Assets, \$5,397,443; dec., \$378,802; unearned prem., \$1,302,908; loss res., \$811,590; lab. res., \$1,650,229; surplus, \$800,000; inc., \$125,000. Experience:

Net Prems. Losses Pd. Accident 65,230 \$ 19,239 Auto liability 3,030,514 1,159,299 Other liability 1,546 ..... Fidelity 4,529 339 Burglary and theft. 12,409 7,512 Auto prop. damage. 1,477,763 506,239 Auto collision 1,318,135 531,859 Other P. D. and coll. 1,603 80 Auto theft 173,402 24,946 Total \$ 6,085,131 \$ 2,249,513

**Exch. Mut. Indem., N. Y.**—Assets, \$1,853,658; inc., \$67,414; unearned prem., \$312,783; loss res., \$14,086; lab. res.,

\$293,822; comp. res., \$435,935; surplus, \$720,469; inc., \$170,566. Experience: Net Prems. Losses Pd. Auto liability \$ 324,472 \$ 148,526 Other liability 45,572 11,933 Workmen's comp. 625,770 300,161 Auto prop. damage. 104,046 40,868 Auto collision 1,152 93 Other P. D. and coll. 6,388 2,104 Total \$ 1,107,403 \$ 503,688

**General Reins.**—Assets, \$17,160,835; inc., \$1,872,182; unearned prem., \$2,248,841; loss res., \$1,783,084; lab. res., \$2,708,840; comp. res., \$1,560,828; capital, \$1,000,000; surplus, \$6,000,000; inc., \$714,087. Experience: Net Prems. Losses Pd. Accident \$ 387,379 \$ 142,425 Health 58,205 30,873 Auto liability 2,004,038 799,407 Other liability 605,307 60,737 Workmen's comp. 482,853 5,116 Fidelity 585,885 115,499 Surety 151,152 190,784 Plate glass 7,598 11,302 Burglary and theft. 381,693 49,872 Steam boiler 38,541 745 Engine and mach. 26,321 ..... Auto prop. damage. 79,496 32,580 Auto collision 2,261 ..... Other P. D. and coll. 59,199 3,683 Credit ..... 1,039 Total \$ 553,928 \$ 1,444,062

**Great Lakes Cas., Mich.**—Assets, \$1,302,586; inc., \$86,337; unearned prem., \$454,861; loss res., \$49,558; lab. res., \$186,555; capital, \$300,000; surplus, \$200,000. Experience: Net Prems. Losses Pd. Auto liability \$ 354,723 \$ 180,228 Other liability 105,158 39,805 Plate glass 43,008 31,048 Burglary and theft. 6,568 2,680 Auto prop. damage. 268,909 101,369 Auto collision 46,175 33,988 Other P. D. and coll. 21,849 665 Total \$ 846,391 \$ 389,783

**Home of Hawaii**—Assets, \$1,427,930; inc., \$153,903; unearned prem., \$226,247; capital, \$600,000; surplus, \$543,635; inc., \$100,854. Experience:

Net Prems. Losses Pd. Auto liability \$ 36,421 \$ 7,211 Surety 1,219 ..... Plate glass 3,081 867 Burglary and theft. 2,762 88 Auto prop. damage. 30,003 8,131 Auto collision 46,076 18,729 Total \$ 119,565 \$ 35,028

**Hudson Mohawk Mut. Cas., N. Y.**—Assets, \$349,348; dec., \$72,127; unearned prem., \$44,844; lab. res., \$5,586; comp. res., \$92,803; surplus, \$183,445; dec., \$43,140. Experience:

Net Prems. Losses Pd. Other liability \$ 3,697 \$ 420 Workmen's comp. 185,395 110,020 Other P. D. and coll. 379 ..... Total \$ 189,471 \$ 110,440

**III. Agricultural Mut.**—Assets, \$2,000,444; inc., \$315,451; unearned prem., \$397,065; loss res., \$160,025; lab. res., \$371,406; comp. res., \$18,434; surplus, \$1,021,527; inc., \$206,584. Experience:

Net Prems. Losses Pd. Auto liability \$ 463,005 \$ 164,328 Employers liability 34,103 10,676 Fire, wind and theft 200,073 37,128 Auto prop. damage. 199,559 95,198 Auto collision 492,895 382,061 Livestock 5,216 2,350 Total \$ 1,394,851 \$ 691,741

**Indiana**—Assets, \$1,145,829; inc., \$122,354; unearned prem., \$434,897; loss res., \$47,283; lab. res., \$182,324; capital, \$200,000; surplus, \$203,020; inc., \$41,931. Experience:

Net Prems. Losses Pd. Other auto \$ 138,301 \$ 41,631 Auto liability 246,131 121,522 Other liability 1,647 78 Inland marine 3,840 634 Bonds 1,817 10 Plate glass 12,778 6,261 Auto prop. damage. 111,600 53,722 Auto collision 207,732 130,699 Fire 99,518 26,586 Tornado 34,801 21,701 Total \$ 858,165 \$ 402,854

**Interboro Mut. Indem., N. Y.**—Assets, \$4,648,547; inc., \$264,948; unearned prem., \$392,495; loss res., \$67,880; lab. res., \$851-

927; comp. res., \$844,082; surplus, \$1,255,613; inc., \$14,894. Experience:

Net Prems. Losses Pd. Auto liability \$ 800,282 \$ 291,592 Other liability 149,531 46,966 Workmen's comp. 1,158,586 496,923 Auto prop. damage. 201,144 68,620 Other P. D. and coll. 2,720 942 Total \$ 2,812,263 \$ 905,043

**Iowa Mut. Lab.**—Assets, \$1,752,445; inc., \$327,501; unearned prem., \$658,849; loss res., \$52,153; lab. res., \$304,249; comp. res., \$192,678; surplus, \$418,261; inc., \$81,622. Experience:

Net Prems. Losses Pd. Auto liability \$ 525,015 \$ 190,399 Other liability 50,695 7,632 Workmen's comp. 436,724 185,549 Plate glass 5,805 3,127 Auto prop. damage. 218,317 85,869 Auto collision 156,077 75,315 Other P. D. and coll. 6,674 709 Other auto ..... 152,569 48,750 Total \$ 1,551,876 \$ 597,350

**Liberty Mut., Mass.**—Assets, \$63,670; inc., \$8,511,190; unearned prem., \$9,987,707; loss res., \$12,610; lab. res., \$9,495,177; comp. res., \$23,959,620; incl. guar. fund of \$200,000; surplus, \$9,378,078; inc., \$1,204,742. Experience:

Net Prems. Losses Pd. Accident \$ 50,457 \$ 17,346 Auto liability 9,076,770 3,831,263 Other liability 3,662,801 984,074 Workmen's comp. 24,239,377 10,905,679 Fidelity 485,841 195,727 Surety 2,543 ..... Plate glass 58,414 26,916 Burglary and theft. 306,275 56,866 Steam boiler 4,320 ..... Engine and mach. 5,579 1,346 Auto prop. damage. 2,314,833 897,421 Auto collision 199,742 111,003 Other P. D. and coll. 180,588 58,049 Total \$ 40,587,540 \$ 17,085,690

**Mass. Accident**—Assets, \$2,010,735; inc., \$29,186; unearned prem., \$285,128; loss res., \$817,318; non-canc. H. & H. res., \$607,316; capital, \$125,000; surplus, \$119,253; dec., \$6,451. Experience:

Net Prems. Losses Pd. Accident & health \$ 691,955 \$ 266,783 Non-canc. H. & A. 485,129 401,065 Total \$ 1,177,084 \$ 667,848

**Massachusetts Cas.**—Assets, \$190,072; inc., \$17,779; unearned prem., \$39,462; loss res., \$15,000; non-canc. H. & H. res., \$13,314; capital, \$100,000; surplus, \$17,734; inc., \$8,448. Experience:

Accident and health \$ 27,533 \$ 14,349 Non-canc. H. & A. 143,625 59,964 Total \$ 171,158 \$ 74,313

**Porto Rican & Amer. Puerto Rico**—Assets, \$484,409; inc., \$37,390; unearned prem., \$56,491; loss res., \$23,090; capital, \$250,000; surplus, \$147,887; inc., \$36,479. Experience:

Fire \$ 7,668 \$ 3,270 Hurricane 3,947 74 Earthquake 709 ..... Auto liability 39,690 12,751 Other liability 3,689 1,497 Fidelity and surety 11,308 2,095 Auto prop. damage. 21,425 5,491 Auto collision 6,628 1,501 Other auto, fire 1,948 273 Total \$ 97,124 \$ 26,952

**Prairie St. Farmers, Ill.**—Assets, \$101,820; inc., \$5,619; unearned prem., \$14,586; loss res., \$1,239; lab. res., \$6,758; surplus, \$77,798; inc., \$2,223. Experience:

Auto fire \$ 1,968 \$ 437 Auto theft 1,326 171 Auto liability 12,587 3,032 Auto prop. damage. 6,139 957 Auto collision 9,917 7,356 Comprehensive 206 1,632 Total \$ 32,143 \$ 13,585

**Protective Indem., N. Y.**—Assets, \$1,752,809; inc., \$29,239; unearned prem., \$193,131; loss res., \$27,915; lab. res., \$130,808; capital, \$500,000; surplus, \$806,162; inc., \$29,209. Experience:

Net Prems. Losses Pd. Accident \$ 15,464 \$ 3,953 Auto liability 223,553 118,722 Other liability 6,135 110 Plate glass 12,877 6,881 Burglary and theft 81,509 23,427 Auto prop. damage. 52,798 21,394 Auto collision 2,795 1,731 Total \$ 395,223 \$ 176,229

**Preferred Accident**—Assets, \$9,063,753; inc., \$254,936; unearned prem., \$1,856,650; loss res., \$584,172; lab. res., \$1,745,214;

capital, \$1,000,000; surplus, \$2,916,925; inc., \$107,753. Experience:

Net Prems. Losses Pd. Accident \$ 518,112 \$ 251,027 Health 43,449 16,604 Auto liability 2,243,207 1,132,097 Other liability 129,749 15,973 Fidelity 105,151 31,070 Surety 153,884 52,849 Plate glass 33,999 27,339 Burglary and theft 244,563 63,816 Auto prop. damage. 620,743 222,504 Auto collision 49,186 15,323 Other P. D. and coll. 4,179 59 Total \$ 4,146,222 \$ 1,828,661

**Service Mut. Lab., Mass.**—Assets, \$310,730; dec., \$25,379; unearned prem., \$12,994; loss res., \$14,425; lab. res., \$141,046; comp. res., \$113,415; surplus, \$22,152; dec., \$18,055. Experience:

Net Prems. Losses Pd. Auto liability \$ 211,515 \$ 166,668 Other liability 2,219 1,893 Workmen's comp. 132,431 100,032 Auto prop. damage. 74,562 31,219 Other P. D. and coll. 108 ..... Total \$ 420,836 \$ 299,814

**State Farm Mut. Auto, Ill.**—Assets, \$15,702,435; inc., \$2,218,584; unearned prem., \$4,236,818; loss res., \$564,336; lab. res., \$3,393,211; surplus, \$4,270,244; inc., \$892,289. Experience:

Net Prems. Losses Pd. Auto liability \$ 6,331,719 \$ 2,921,123 Auto prop. damage. 2,095,302 897,923 Auto collision 3,403,411 1,735,104 Other auto, comprehensive 1,207,223 380,279 Total \$ 13,037,655 \$ 5,934,429

**St. Paul Mut. Indem.**—Assets, \$10,667,747; inc., \$1,942,409; unearned prem., \$3,192,847; loss res., \$688,011; lab. res., \$1,810,625; comp. res., \$454,544; capital, \$1,000,000; surplus, \$2,715,850; inc., \$672,255. Experience:

Net Prems. Losses Pd. Accident \$ 11,751 \$ 3,555 Auto liability 2,045,295 684,042 Other liability 1,146,128 182,466 Workmen's comp. 789,147 318,447 Fidelity 343,243 65,278 Surety 833,584 155,622 Plate glass 157,981 50,290 Burglary and theft 209,405 44,869 Auto prop. damage. 564,043 205,233 Auto collision 65,573 19,169 Other P. D. and coll. 107,151 14,849 Other auto 546 665 Total \$ 6,276,848 \$ 1,741,485

**Teachers Protective Union, Pa.**—Assets, \$732,199; inc., \$50,813; unearned prem., \$172,051; lab. res., \$32,139; surplus, \$527,865; inc., \$42,970. Experience:

Net Prems. Losses Pd. Accident and health \$ 630,530 \$ 430,275

**Texas Fire & Cas. Und.**—Assets, \$174,804; inc., \$8,049; unearned prem., \$59,049; loss res., \$4,032; lab. res., \$3,872; comp. res., \$52,408; surplus, \$51,737; inc., \$1,590. Experience:

Net Prems. Losses Pd. Fire and tornado \$ 293 \$ 313 Auto fire and theft 4,188 2,640 Auto tornado 304 ..... Other liability 6,634 477 Auto liability 40,661 12,161 Workmen's comp. 200,794 121,875 Fidelity 958 ..... Cargo 1,197 422 Property damage 2,124 250 Oil well fire and windstorm 873 ..... Auto prop. damage. 15,188 2,375 Auto collision 5,734 1,835 Other auto 650 ..... Total \$ 279,012 \$ 142,348

**Underwriters at Lloyds, Minn.**—Assets, \$1,928,648; unearned prem., \$493,912; loss res., \$49,675; lab. res., \$214,700; guar. fund, \$250,000; surplus, \$1,055,219; inc., \$116,465. Experience:

Net Prems. Losses Pd. Auto comprehensive \$ 100,292 \$ 33,855 Auto tornado 3,252 876 Auto liability 519,061 176,710 Other liability 1,056 177 Auto fire 35,880 14,937 Auto theft 15,393 3,567 Auto prop. damage. 174,990 65,663 Auto collision 139,341 84,772 Miscellaneous 6,552 932 Total \$ 995,817 \$ 381,489

**Union Auto. Indem., Ill.**—Assets, \$801,209; inc., \$56,272; unearned prem., \$209,644; loss res., \$13,300; lab. res., \$101,916;

surplus, \$434,142; inc., \$7,114. Experience:	Net Prem. Losses Pd.
Auto fire ..... \$ 27,098	\$ 4,278
Auto theft ..... 20,462	4,483
Auto liability ..... 180,391	76,855
Auto prop. damage. 81,838	22,617
Auto collision ..... 99,941	54,540
Comprehensive ..... 9,674	3,265
Total ..... \$ 419,404	\$ 166,038

<b>United Pacific, Wash.</b> —Assets, \$2,506,807; inc., \$318,285; unearned prem., \$854,155; loss res., \$126,508; liab. res., \$382,388; comp. res., \$6,731; non-can. A. & H. res., \$65,000; capital, \$400,000; surplus, \$480,466; inc., \$79,340. Experience:	Net Prem. Losses Pd.
Accident ..... \$ 26,267	\$ 16,319
Health ..... 81,756	44,665
Auto liability ..... 716,270	254,869
Other liability ..... 230,219	80,867
Workmen's comp. ... 10,221	1,665
Fidelity ..... 33,167	1,190
Surety ..... 125,772	4,705
Plate glass ..... 24,105	10,987
Burglary and theft. 45,083	9,798
Steam boiler ..... 3,102	91
Auto prop. damage. 281,999	105,203
Auto collision ..... 211,415	93,048
Other P. D. and coll. 25,775	11,942
Other auto ..... 122,763	34,759
Total ..... \$1,937,914	\$ 670,108

<b>United Services Auto., Tex.</b> —Assets, \$1,894,285; inc., \$235,166; unearned prem., \$624,647; loss res., \$84,333; liab. res., \$13,950; surplus and guar. fund excluded, \$690,196; inc., \$62,553. Experience:	Net Prem. Losses Pd.
Auto accident (personal injury) .... \$ 9,878	\$ 1,341
Fire (household effects) ..... 29,247	3,293
Auto theft ..... 71,655	9,834
Auto liability ..... 564,241	179,105
Auto collision ..... 290,312	125,265
Auto prop. damage. 168,497	76,859
Auto hall and tor-nado ..... 11,491	8,924
Auto inland marine. 3,818	2,991
Auto com. comprehensive ..... 12,852	1,072
Burglary and theft, household effects. 63,785	11,134
Auto fire ..... 55,053	8,176
Total ..... \$1,280,829	\$ 427,994

<b>Utilities, Mo.</b> —Assets, \$980,798; inc., \$174,880; unearned prem., \$252,875; loss res., \$14,705; liab. res., \$159,250; comp. res., \$30,880; capital, \$300,000; surplus, \$100,000; dec., \$5,000. Experience:	Net Prem. Losses Pd.
Accident ..... \$ 7,010	\$ 5,155
Auto liability ..... 456,828	248,667
Other liability ..... 54,554	13,886
Workmen's comp. ... 93,092	68,023
Auto prop. damage. 137,783	86,197
Auto collision ..... 45,142	43,194
Other P. D. and coll. 7,586	318
After reins.—Total ..... \$ 801,995	\$ 465,440
Before reins.—Total ..... \$1,108,176	.....

<b>Wash. Natl., Ill.</b> —Assets, \$43,114,368; inc., \$34,466,739 (includes Life Dept. & National Life Fund); unearned prem., \$779,368; loss res., \$764,777; capital, \$1,250,000; surplus, \$1,477,019; inc., \$353,486. Experience:	Net Prem. Losses Pd.
Accident ..... \$ 6,016,180	\$ 2,497,582
Total ..... \$ 6,016,180	\$ 2,497,582

<b>Yorkshire Indem., N. Y.</b> —Assets, \$2,818,835; inc., \$265,079; unearned prem., \$515,285; liab. res., \$95,419; comp. res., \$438,057; capital, \$750,000; surplus, \$813,455; inc., \$152,819. Experience:	Net Prem. Losses Pd.
Auto liability ..... \$ 280,610	\$ 121,804
Other liability ..... 206,316	27,285
Fidelity ..... 55,650	12,644
Surety ..... 180,561	77,113
Plate glass ..... 56,993	23,550
Burglary and theft. 65,612	34,794
Auto prop. damage. 89,573	34,820
Auto collision ..... 888	228
Other P. D. and coll. 8,800	118
Total ..... \$ 945,008	\$ 332,856

### Noonan Is Receiver for Mutual

BOSTON—J. T. Noonan of Brookline, Boston lawyer, was appointed permanent receiver of the closed Broad Street Mutual Casualty by Supreme Court Justice Dolan. He has been serving as temporary receiver. Judge Dolan stated he found the mutual in unsound financial condition and "probably insolvent."

## A. Duncan Reid Is Retiring March 31; Spencer Is Successor

(CONTINUED FROM PAGE 23)

of the Association of Casualty & Surety Executives and served in those capacities from 1926 to 1931. A member of the International Association of Casualty & Surety Underwriters since its organization in 1911, Mr. Reid was president from 1921 to 1923 and is chairman of its conference committee. Throughout his career he has been known for his unusual interest in and understanding of the problems of the producer. Becoming a citizen by naturalization, he was active in American Red Cross and Liberty Loan drives during the war. He has been prominent in religious and civic activities in Glen Ridge and Montclair, N. J.

### Cite Progress of 27 Years

The record of Globe Indemnity under his management has been one of unusual progress. Beginning 27 years ago, with a capital and surplus of \$1,250,000, the company has grown until its assets on Dec. 31, 1938, were over \$39,000,000, with capital and surplus of \$7,500,000.

In addition to his responsibility as president of the Globe, Mr. Reid is joint general attorney in the United States of both Royal and Liverpool & London & Globe, and is a director of the various companies comprising the Royal-Liverpool groups.

Mr. Spencer is a native of Missouri and of American pioneer ancestry. Educated in the public schools of Marshall and St. Louis, and at the University of Missouri, he spent three years as a reporter for the St. Louis "Globe-Democrat" and the St. Louis "Star." Employed first by Mr. Reid for Ocean Accident early in 1911, he joined the Globe in 1912 in Chicago. After three years there, Mr. Spencer spent a brief period in Philadelphia and at the home office, and was then sent to San Francisco early in 1916 as assistant manager of the coast department.

### Vice-president Since 1927

In 1920 he became coast manager for Phoenix Indemnity and Norwich Union Indemnity, resigning in 1925 to return to the home office of the Globe as assistant secretary. He was elected a vice-president in 1927 and in 1936 was elected a director and vice-president and secretary.

By reason of his many years of field service and his supervision at the home office of the agency and production activities, Mr. Spencer has a wide acquaintance among insurance men. He has served as a member of important committees of various organizations, including the National Bureau of Casualty & Surety Underwriters and the Association of Casualty & Surety Executives.

Mr. Spencer just recently returned from a visit to the London home office—an incident that was generally interpreted as meaning that this important announcement would soon be made.

The Association of Representatives of Globe Indemnity Company, known in the organization as Argic, which is sponsoring the luncheon for Mr. Reid, March 30, was organized on May 16, 1922. The president is Philip B. Hosmer of Chicago; vice-president, B. M. McCluer, Kansas City, and treasurer, A. C. Sanderson, Providence, R. I.

It is likely that a number of the agents will remain in New York until Saturday, April 1, to see Mr. Spencer officially installed as president. Then many of those will go directly to Hollywood, Fla., for the mid-year meeting of the National Association of Insurance Agents.

Wallace M. Reid and Charles A. Reid, principals of the Wallace M. Reid Agency of Pittsburgh, are brothers of Duncan Reid.

## Table of Reinsurance Sessions Is Presented

(CONTINUED FROM PAGE 4)

Trav., 60; Twin City, 477; U. S., 75; Westches., 42; Western, Can., 25; York., 40; Oil Assn., 392; Kans. City F. & M., 102; London Lloyds, 694; Stonewall, Ala., 42. Total in auth. reins., \$7,140,491; total in unauth., \$896,436.

Hardware Dlrs. Mut., 495; INTER-OC, 58; JUPITER GEN., 326; Knickerbocker, 164; Lumber Mut., Mass., 279; Minn. Impl. Mut., 281; Monarch, 3,615; SWITZ. GEN., 556; West-Sp. Risk, 310; London Lloyds, 3,516. Total in auth. reins., \$10,262,318; total in unauth., \$3,525,893.

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**Phoenix of Hartford**—Act., 57; Conn., 10,080; Eq. F. & M., 2,015; GENL OF FR., 40; Gr. Am., 127; Hfd., 38; N. A., 31; N. B. & M., 31; Prov. Wash., 34; PRUDENTIAL, 59; Spfd., 65; Trav., 26; York, 55; Am. Re. Ex., 491; Re. Cl. Hse., 634; London Unds., 309. Total in auth. reins., \$14,367,552; total in unauth., \$324,997.

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**Queen**—Act., 62; Eagle Star, 34; Fid. Phnx., 34; Fire Fund, 58; N. A., 31; L. & L. & G., 52; Maritime, 49; N. B. & M., 34; Royal, 10,076; Std. Marine, 29; Brit. & For. (home office), 29; Brit. Traders (home office), 39; Royal (home office), 820. Total in auth. reins., \$10,924,237; total in unauth., \$906,985.

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**Royal**—Act., 95; Agric., 31; Am., 37; Am. & For., 1,183; Auto., 39; Boston, 28; Capital, 586; Commerce, 27; Coml. Un., Eng., 187; Coml. Un., N. Y., 36; Conn., 58; Cont., 160; County, 29; Eagle Star, 58; Emp. State, 37; Fed. Un., 25; Fid.-Phnx., 80; Fire Assn., 42; Fire Fund, 73; Franklin, 12,336; Fulton, 27; Ga. Home, 1,880; Gibralt., 2,611; Glens Falls, 59; Gr. Am., 79; Halifax, 1,232; Hanover, 83; Hfd., 219; Home F. & M., 31; Homestd., 2,154; INTL., 173; INTL., 309; L. & L. & G., 82; Lond. & Lanc., 44; Mech. & Trad., 25; Mercantile, 38; Merch., R. I., 29; Mich. F. & M., 29; Natl., 123; Nat. Lib., 4,514; Natl. Un., 61; New Bruns., 3,065; N. Hamp., 27; N. Y. Und., 27; Niagara, 49; N. B. & M., 108; No. Riv., 41; No. Star, 29; Northern, Eng., 20; Northern, Eng., 39; Paul, 18,723; Spfd., 73; Sun., 61; Trav., 1,449; U. S., 81; Westches., 55; Western, Kans., 38; York, 34. Total in auth. reins., \$43,189,280.

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**North America**—Act., 141; Agric., 82; Alliance, Pa., 215; Am., 71; Am. Eagle, 48; Atlas, 43; Auto., 70; Balto., 31; Boston, 43; Caledonian, 42; Camden, 25; Commerce, 33; Coml. Un., Eng., 123; Cont., 101; Eagle Star, 32; Farmers, Pa., 50; Fed., 67; Fid.-Phnx., 37; Fire Assn., 56; Fire Fund, 123; GENL OF FR., 50; Glens Falls, 63; Gr. Am., 80; Hanover, 30; Hfd., 157; Home, 29; State of Pa., 26; Lafayette, 224; Lond. Assur., 51; Lond. & Lanc., 61; Natl., 111; Natl. Security, 105; N. Hamp., 28; N. Y. Fire, 30; N. Y. Und., 35; Niagara, 34; N. B. & M., 115; No. Riv., 46; Northern, Eng., 39; Nor. Un., 59; Phila. F. & M., 159; Phnx., Conn., 82; Phnx., Eng., 65; Prov. Wash., 32; PRUDENTIAL, 30; Royal, 198; Royal Ex., 44; St. Paul, 71; Scot. U. & N., 43; Security, Conn., 33; Spfd., 88; Sun., 48; Trav., 92; United Firemen, 107; U. S., 87; Westches., 41; World, 31; York, 42; London Lloyds, 404. Total in auth. reins., \$4,965,300; total in unauth., \$456,815.

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**L. & L. & G.**—Fed. Union, 59; Fire Fund, 34; GENL OF FR., 25; Hfd., 27; Glens Falls, 25; Gr. Am., 62; Hfd., 64; Home, 37; N. A., 49; INTL., 109; INTER-OC, 52; Mich. F. & M., 2,753; Natl., 62; New Eng., 712; Phnx., Conn., 77; PILOT, 391; Royal, 63; Sentinel, 693; SKANDINAVIA, 279; U. S., 40; Fact. Assn., 101; Am. Re Ex., 752. Total in auth. reins., \$7,385,775; total in unauth., \$37,814.

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**St. Paul**—Act., 25; Am., 117; Cent., 35; Eagle, N. Y., 77; Merc., 1,293; Milw. Mech., 25; N. Y. Und., 115; NO. STAR, 111; Phnx., Conn., 37; Royal, 29; Royal Ex., 45; Sec. of Iowa, 76; Am. Re. Ex., 404; Re Cl. Hse., 481. Total in auth. reins., \$3,341,693.

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**Travelers Fire**—Agric., 25; Cent., 35; EAGLE, N. J., 59; GENL OF FR., 119; Home, 41. Total in auth. reins., \$888,738.

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**U. S. Fire**—Agric., 76; Allmnia, 224; Am. & For., 27; Am. Eagle, 32; Brit. Am., 34; Charter Oak, 30; Citizens, N. J., 30; Coml. Un., Eng., 34; Empire State, 30; Fed., 34; Hfd., 42; Home, 35; Indem. Marine, 48; N. A., 84; INTL., 234; INTER-OC, 59; Natl., 57; No. Riv., 348; Northern, Eng., 32; PRUDENTIAL, 100; Richmond, 90; ROSSIA, 37; Royal, 67; Royal Ex., 82; Seab. F. & M., 34; SKANDINAVIA, 40; Southern, 135; Sun, 50; Tokio, 110; Westches., 472; Western, Can., 94; York, 72; Factory Assn., 184; Pacific Fac. Assn., 30; Foreign Und., Eng., 46. Total in auth. reins., \$3,847,213; total in unauth., \$80,474.

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**National**—Act., 78; Agric., 226; Am., 45; Am. Eagle, 40; Atlas, 30; Auto., 28; Coml. Un., Eng., 69; Cont., 53; Eagle Star, 35; Fid.-Phnx., 33; Fire Fund, 75; Franklin Nat., 779; GENL OF FR., 35; Granite State, 43; Gr. Am., 34; Hfd., 78; Home, 127; N. A., 78; Lond. & Lanc., 32; Mech. & Trad., 1,676; Nat. Lib., 50; Nat. Un., 46; N. B. & M., 45; No. Riv., 28; Northern, Eng., 205; Palatine, 37; Phnx., Conn., 46; Prov. Wash., 316; PRUDENTIAL, 459; Royal, 88; Royal Ex., 32; Scot. Un. & Nat., 29; So. Carolina, 29; Spfd., 40; SWISS RE, 1,719; Transcont., 784; Trav., 34; U. S., 84; Westches., 36; York, 55; Lond. Lloyds, 335. Total in auth. reins., \$8,380,696; total in unauth., \$352,548.

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**North British & Mercantile**—Am. Eq., 78; AM. RES., 314; Atlas, 75; CHR. GENL, 110; Commonwealth, 48; Eagle, N. J., 43; Fid. & Guar. Fire, 30; GENL OF FR., 41; Hfd., 26; Home, 46; Homeland, 82; Lond. & Lanc., 44; Mercantile, 35; METROPOLITAN FIRE RE, 37; Nat. Un., 50; N. Hamp., 139; Northern, Eng., 25; Penna., 36; Phnx., Eng., 27; ROSSIA, 181; Royal, 41; SKANDIA, 223; SKANDINAVIA, 110; Sun, 197; SWISS RE, 220; York, 53; London Lloyds, 46; Reins. Corp. of Eng., 33. Total in auth. reins., \$3,442,916; total in unauth., \$122,164.

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**Pearl**—Am. Eq., 83; AM. RES., 284; EAGLE, N. J., 30; Eureka-Security, 3,576; G. C. Ellwood of Ellwood, Jackson & Sprague, Cedar Rapids, died last week.

## CASUALTY NET PREMIUMS AND PAID LOSSES IN NEW YORK IN 1938

	Total		Auto. Liab.		Other Liab.		Work. Comp.		Fidelity-Surety		Plate Glass		Burglary-Theft		Prop. D. & Coll.		
	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	Prem.	Losses	
Accident & Cas.	98,118	10,288	37,020	785	19,371	1,128	10,756	819	82	8,136	3,069	14,307	3,661	6,179	687		
Aetna Cas.	8,318,877	1,799,304	1,728,653	302,609	1,590,538	114,108	2,671,560	734,230	980,737	171,178	133,106	49,513	419,423	551,653	203,685		
Aetna Life	2,451,115	2,450,253	554,305	507,384	235,657	521,188	645,756	893,855	.....	.....	.....	.....	.....	.....	77,576	25,705	
Allstate Ins. Co.	454,768	108,417	377,191	82,711	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	41,810	19,684	
Amal. M. Auto. Cas.	387,758	177,666	37,788	177,666	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Amer. Auto. Mo.	263,529	95,688	221,718	76,024	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Amer. Employ.	901,253	317,376	241,931	105,029	184,433	55,944	274,230	105,764	75,331	11,330	13,381	5,800	29,366	7,495	66,022	19,495	
Amer. Flid. & Cas.	8,582	6,078	7,031	5,826	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,551	242	
Amer. Motorists	1,246,994	402,755	898,594	295,561	27,857	5,414	88,970	.....	.....	3,857	1,031	1,890	205,121	71,073	.....	.....	
Amer. Mut. Liab.	4,941,702	2,100,312	745,808	260,087	409,064	140,962	3,539,434	22,425	1,381	1,610,177	33,198	10,324	3,031	6,983	1,761	203,179	76,165
Amer. Reins.	943,277	325,806	329,957	148,365	127,508	88,021	115,191	1,610,177	33,198	262,304	73,207	.....	63,235	31,284	42,054	8,869	
Amer. Surety	2,143,108	414,812	278,254	102,245	173,961	37,596	180,504	3,034	.....	26,972	9,182	94,446	26,615	72,871	25,493	.....	
Arex Indem.	77,853	7,921	8,817	.....	37,181	1,410	20,798	1,317,095	148,383	29,972	7,799	41	3,279	77	590	273	
Assoc. Indem.	13,482	10,842	1,340	10,753	8,117	1,566	.....	.....	.....	.....	.....	.....	.....	.....	110	1,335	
Bakers Mut.	518,946	149,943	.....	.....	55,420	14,201	417,879	131,145	.....	15,645	4,146	.....	.....	.....	.....	.....	
Bankers Indem.	1,406,531	533,265	432,392	171,579	308,928	90,713	404,587	171,328	37	10,406	52,621	22,251	90,849	27,760	107,188	33,902	
Butchers Mut.	1,281,513	342,533	55,686	6,388	60,653	9,943	1,135,388	318,854	.....	18,121	5,494	11,658	1,851	.....	.....	.....	
Car & General	237,727	118,557	76,068	55,455	31,893	13,995	102,903	38,670	.....	5,223	1,735	3,395	593	18,243	7,804	.....	
Central Surety	2,200	2,150	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	110	110	
Century Indem.	2,312,193	933,743	664,018	239,000	456,254	185,342	648,254	320,814	200,871	39,998	50,461	23,336	89,174	57,685	143,370	59,451	
Citizens Cas.	499,824	251,591	477,340	24,533	.....	.....	349,348	128,107	.....	15,645	4,146	.....	.....	.....	22,484	7,058	
Coal Merch. Mut.	349,348	128,107	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Columbia Cas.	436,775	119,226	93,931	27,458	108,722	17,004	85,763	42,928	56,557	3,113	14,841	5,004	24,062	9,918	24,047	7,989	
Commercial Cas.	1,579,997	623,850	350,040	66,607	253,340	107,331	145,592	59,584	31,797	—364	34,920	11,858	37,625	7,097	21,152	19,056	
Consol. Taxp. Mut.	538,230	128,850	.....	.....	.....	.....	538,230	128,850	.....	.....	.....	.....	.....	.....	.....	.....	
Continental Cas.	3,514,641	1,189,380	753,395	271,598	607,522	164,417	826,617	56,731	282,393	73,252	24,219	90,567	17,239	169,998	65,888	.....	
Eagle Indem.	1,748,370	696,270	548,869	271,123	397,219	127,913	368,964	157,221	58,060	9,569	51,423	19,074	139,199	48,437	11,382	3,648	
Electric Mut. Liab.	17,547	504	12,182	185	651	.....	2,359	48	.....	.....	.....	.....	.....	.....	3,686	271	
Empire Mut. Cas.	460,224	182,621	456,537	182,380	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,335	241	
Employers Liab.	3,910,679	1,676,348	693,352	270,826	1,062,530	405,024	1,515,890	841,206	159,708	19,702	57,570	20,563	101,970	30,374	184,335	55,630	
Employers Reins.	1,428,520	568,415	754,455	339,024	263,524	34,475	51,700	.....	.....	1,508,376	487,107	79,868	31,930	342,344	128,613	.....	.....
Europ. Genl. Reins.	2,035,711	656,889	767,496	228,263	295,012	15,851	61,366	110,978	39,291	292	39,664	22,426	141,089	53,052	.....	.....	
Excess	230,485	137,513	135,099	98,100	56,115	5,175	62,668	4,622	34,608	20,272	64,904	27,250	2,899	.....	.....	.....	
Exch. Mut. Indem.	1,096,925	500,744	322,793	118,526	44,328	11,933	618,791	8,568	34,242	25,367	469	—68	834	346	.....	.....	
Factory Mut. Liab.	670,676	54,481	525,427	42,189	1,092	.....	.....	297,217	.....	.....	.....	.....	.....	112,037	43,065	.....	
Farm Bureau Mut.	28,096	1,180	22,303	283	.....	.....	.....	.....	.....	.....	.....	.....	2,255	139,775	16,290	.....	
Fidelity & Cas.	5,343,150	2,411,531	1,193,029	495,501	970,265	400,431	1,447,951	918,729	712,005	190,177	115,478	41,773	207,071	87,767	300,267	108,053	
Fidelity & Deposit	1,930,588	449,137	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	17	5,875	896	.....	
Fireman's Fund Ind.	1,942,697	676,774	595,414	187,685	340,225	104,444	637,302	1,290	1,508,376	487,107	79,868	31,930	342,344	128,613	128,613	177,068	
First Reins.	22,335	10,044	—3,000	.....	.....	.....	.....	269,025	76,025	13,124	34,845	12,773	56,801	17,580	112,980	47,258	
General Acci.	4,856,146	1,592,568	3,023,005	844,599	309,474	106,414	647,761	.....	—297	.....	.....	105	.....	.....	.....	.....	
General Reins.	742,825	312,969	201,377	170,241	128,183	11,966	46,303	297,000	70,640	43,635	145,622	36,037	2,421	99,095	12,071	21,101	
General Trans. Cas.	70,640	9,873	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	122	122	
Glens Falls Ind.	2,345,579	860,798	718,751	232,085	420,850	140,444	595,729	9,873	.....	190,177	115,478	41,773	207,071	87,767	300,267	108,053	
Globe Ind.	5,198,855	2,302,085	1,339,864	641,616	1,038,548	450,252	1,639,631	270,084	208,141	27,707	49,672	19,207	93,284	16,626	189,519	78,780	
Great Amer. Ind.	2,928,566	1,194,115	673,667	314,754	843,708	266,325	843,605	248,221	225,513	25,432	33,819	66,555	65,234	.....	.....	.....	
Greater N. Y. Taxp.	1,522,949	657,842	.....	.....	1,522,949	657,842	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Guaranteed of N. A.	1,127,315	405,965	460,759	154,259	154,259	154,259	154,259	154,259	154,259	62,453	4,774	.....	.....	.....	.....	.....	
Hdw. Mu. Cas. Wis.	7,578,330	3,111,385	1,710,066	791,287	1,360,640	484,038	2,387,347	134,043	1,157,418	982,068	228,117	112,803	44,769	374,651	127,672	472,249	177,068
Home Indem.	564,478	277,400	158,789	114,419	102,917	33,111	20,798	1,611,511	220,880	20,755	4,470	226	124,054	46,370	.....	.....	
Hudson Mohawk M.	189,470	110,439	.....	.....	3,697	420	185,394	110,019	.....	26,695	148,624	38,958	27,385	9,601	94,366	41,112	31,380
Indem. of N. Amer.	2,941,494	824,690	656,873	189,835	651,517	127,865	474,547	239,369	672,652	94,823	44,667	16,883	211,435	62,005	167,213	49,475	.....
Interboro. Mut.	2,009,408	804,928	719,727	255,928	136,940	44,792	1,055,842	446,27									

(CONT'D FROM PRECEDING PAGE)

	Prem.	Losses
United Cas.	130,869	49,890
U. S. Cas.	49,190	17,588
U. S. F. & G.	149,402	80,790
U. S. Guarantee	2,842	562
Zurich	130,206	57,874
Total, 1938	\$16,347,369	\$7,893,154
Total, 1937	15,777,805	7,733,631

**STEAM BOILER**

	Prem.	Losses
Aetna Cas.	\$ 2,152	\$ 130
Amer. Employ.	5,046	130
Amer. Motorists	2,446	15
Amer. Reins.	2,893	15
Arex Indem.	2	1
Columbia Cas.	11,969	568
Continental Cas.	4,635	1,182
Eagle Indem.	23,008	2,862
Employ. Liab.	57,950	5,393
Europ. Genl. Reins.	2,745	2,332
Excess	102	1
Fidel. & Cas.	62,464	7,566
General Acci.	15,968	443
General Reins.	802	1
Globe Indem.	44,379	5,942
Hartford S. B.	346,875	33,022
London Guar.	8,542	1,329
Lumbermen's Mut.		
Cas. (Ill.)	25,855	661
Mutual Boiler	30,367	2,090
Maryland Cas.	25,796	8,093
Ocean Acci.	40,658	1,920
Phoenix Indem.	3,929	190
Royal Indem.	63,308	4,182
Security Mut.	1,573	1
Travelers Indem.	233,531	22,410
Total, 1938	\$1,015,209	\$ 95,670
Total, 1937	1,176,950	140,045

**ENGINE AND MACHINERY**

	Prem.	Losses
Aetna Cas.	\$ 5,594	\$ 1,806
Amer. Employ.	249	1
Amer. Motorists	46	1
Amer. Reins.	2,712	1
Arex Indem.	1,079	204
Columbia Cas.	1,408	2,907
Continental Cas.	1,500	1
Eagle Indem.	7,590	747
Employ. Liab.	26,034	3,204
Europ. Genl. Reins.	942	10,918
Excess	526	1
Fidelity & Cas.	32,568	1,282
General Acci.	1,458	43
General Reins.	94	1
Globe Indem.	10,331	768
Hartford S. B.	75,609	27,385
London Guar.	824	35
Lbrm. Mu. Cas. (Ill.)	6,145	649
Maryland Cas.	3,257	823
Mutual Boiler	25,143	3,233
Ocean Acci.	3,759	4,561
Phoenix Indem.	90	1
Royal Indem.	20,242	8,676
Security Mut.	1,018	1
Travelers Indem.	29,229	6,176
Total, 1938	\$ 249,741	\$ 51,561
Total, 1937	395,074	153,403

**SPRINKLER LEAKAGE**

	Prem.	Losses
Aetna Cas.	\$ 235,501	\$ 65,929
Maryland Cas.	24,784	3,796

Total, 1938 \$ 260,285 \$ 69,725

Total, 1937 280,854 88,183

**CREDIT**

	Prem.	Losses
Amer. Credit Indem.	\$ 269,228	\$ 221,984
Employer Reins.	48,701	8,403
Europ. Genl. Reins.	62,512	38,304
General Reins.		1,038
London Guar. & Acci	282,882	139,057
National Surety		10
Ocean Accident		669
Total, 1938	\$ 663,323	\$ 408,107
Total, 1937	714,470	67,625

**LIVE STOCK**

	Prem.	Losses
Hartford Acci.	\$ 708	\$ 300
Hartford L. S.	69,255	44,576

Total, 1938 \$ 69,963 \$ 44,876

Total, 1937 62,020 33,761

**WATER DAMAGE**

	Prem.	Losses
Commercial Cas.	\$ 166	\$ 361
Europ. Gen. Re.	270	1
Great Amer. Indem.	118	610
Indem. of No. Amer.	8,158	5,297
Phoenix Indem.	776	205
U. S. F. & G.	2,322	1,803
Total, 1938	\$ 11,810	\$ 8,276
Total, 1937	31,608	4,450

**More Liberal Hoosier Auto Policy**

The Hoosier Casualty has issued a new "superior" automobile accident policy for \$6 premium which provides considerably more coverage than its old "highway hazard" form. Dismemberment may occur with 90 instead of 30 days of the accident and a principal sum is provided for minor dismemberments. The policy pays full disability benefits for 26 weeks of \$20 and partial for four weeks of \$10. Medical reimbursement can be secured in addition for a small premium.

**LEGISLATION**

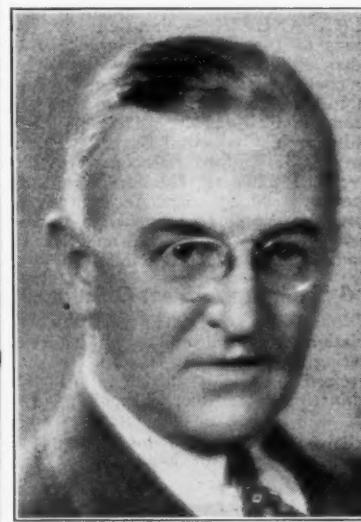
**Indiana**—House bill 237 which would permit governmental units to obtain automobile property damage and liability insurance was killed by a vote of 42 to 4 in the senate after the house passed it.

**Minnesota**—A hearing was held on Senate File 350 which authorizes continuance of cause of action in an automobile after the death of one of the principals. The bill would permit suit to be brought against the insurance company which insured the deceased. The Insurance Federation of Minnesota and insurance company's representatives opposed the bill.

**Massachusetts**—The insurance committee devoted an entire session to consideration of bills directed in the most part at compelling insurance companies to be responsible for the return of the Massachusetts registration plates before effecting cancellation of a liability insurance policy under the compulsory law. Robert L. Devine, assistant to the registrar of motor vehicles, blamed premium finance companies for the great number of cancellations, inasmuch as they held the power of cancellation for non-payment in financed cars. He said 20,504 registrations were revoked in 1938 in Massachusetts for non-payment of premium; of these 11,112 returned their plates promptly; 6,625 sets were picked up by the registry and police, and 2,787 were never returned.

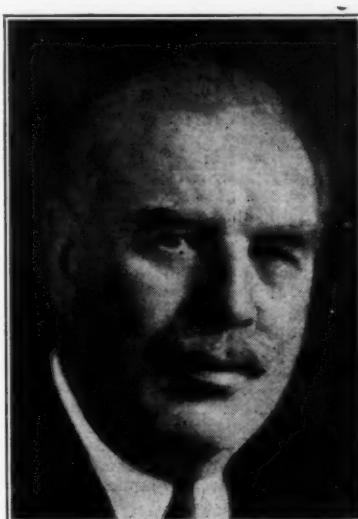
**Ohio**—The Ohio Association of Insurance Agents is sponsoring a bill requiring the filing of automobile liability and property damage rates. It prohibits fictitious fleets. It is supported by the insurance department.

**Michigan**—Fears of the Hoosier Casualty of Indianapolis for the continuance of its extensive group occupational accident business under the projected new group health and accident law now under consideration of the Michigan legislature aroused the only objections to the measure. After several representatives of the Indiana carrier had voiced their objections a tentative agreement was reached under which a minor amendment, exempting the Hoosier Casualty specialty from the act's provisions, will be made to the bill, Senate 108, and it will be acted on immediately by the upper chamber.

**Banquet Speaker**

SPENCER WELTON

Vice-President Spencer Welton of the Massachusetts Bonding spoke Wednesday evening of this week at the annual banquet of the Minneapolis Insurance Club.

**Globe Indemnity Presidential Change**A. DUNCAN REID  
Retiring PresidentKENNETH SPENCER  
New President**Industrial Casualty Report on Recent Examination**

The Illinois department has made an examination report on the Industrial Casualty of Bloomington, Ill., as of Oct. 1, 1938. Its assets are \$63,973, net surplus \$49,334. The report says that the cash position is ample for current operating requirements and surplus funds are invested in liquid assets. Claims are settled promptly with fair and equitable treatment accorded to policyholders and beneficiaries. The two main men in the management are H. L. Loomis, president, and Walter Stiegelmeyer, secretary-treasurer. The company operates only in Illinois and Indiana.

It issues a general accident policy and a special automobile accident policy. The general accident policy is issued under 18 different forms which provide for accidental death benefits ranging from \$500 to \$1,500 and monthly disability benefits from \$30 to \$150. The special automobile policy is written under four forms which provide for accidental death benefits ranging from \$500 to \$1,000 and monthly disability ranging from \$50 to \$100. Up to Oct. 1, the premiums were \$136,564 and total income \$137,566. The claims paid were \$38,506 and total disbursements \$120,994.

**Gault Addresses Claim Group**

Dr. J. T. Gault, medical director of Sterling Casualty, spoke on "Cardio-Vascular Diseases as Affecting Accident and Health Insurance" before the Chicago Claim Association March 8.

It was announced at the meeting that plans are being completed with reference to compiling a directory of claim representatives in Chicago. In line with this, cards are being distributed by the association upon which each company will list the various members of its claim department, their titles and positions, in addition to their address and telephone number.

**New Los Angeles Company**

**LOS ANGELES**—John L. Flynn, former deputy attorney general assigned to the California department, and who conducted the rehabilitation hearings for the Pacific Mutual Life, is the president of the Industries Indemnity now being formed here, with a capital of \$1,500,000. Mr. Flynn occupies the presidency for organization purposes, and will conduct the preliminaries of the new company until it is ready to receive its certificate of authority. The company has been authorized to sell 2,000 shares of class A

**Extensive Plans for A.&H. Week Program**

Extensive plans are being made for the celebration of Accident & Health Insurance Week April 24-29. The official poster is being widely distributed by the general committee headed by Harold R. Gordon, executive secretary of the Health & Accident Underwriters Conference.



Governor Olson of California has issued a proclamation declaring April 24-29 as Accident & Health Week. He said that the week is a constructive and purposeful educational program designed to aid in achieving economic security of the American family and should receive public and private encouragement and support.

The Accident & Health Club of New York is making extensive preparations for National Accident & Health Week. A general sales meeting will be held during the week immediately prior and a sales breakfast will be held during the week with a successful producers banquet at the termination of the drive. A special banner will be displayed and there will be general advertising sponsored by the association.

Stock at \$25 per share, 1,000 shares Class B stock at \$1 per share and 10,000 shares of preferred at \$150 per share. The latter named stock has a par value of \$100, but those who buy it will pay \$150 per share for their stock. No stock is to be offered to the public.

## Report on Rating Bureau Investigation

### Indiana Senate Probers Recommend Extension of Group's Activities, Scope

INDIANAPOLIS.—A report favoring extension of activities and enlargement of the scope of the Indiana compensation rating bureau has been returned by the senate investigating committee of the Indiana legislature which has been probing activities of the bureau since Jan. 11.

Close on the heels of this report comes the news that the senate has also defeated a move to create a state insurance fund for workmen's compensation.

The bill, which would abolish the rating bureau was introduced this session by Senator A. L. Deniston. It was supposed to be the outgrowth of complaints which alleged that many business firms were experiencing difficulty in getting compensation insurance and that the rates were too high.

The investigation has revealed that in the life of the bureau only 34 stock and 10 mutual hazardous risk cases have been brought to its attention. It was further revealed that while the rates were high when the rating bureau was first created July 1, 1935, the rates are now approximately the same as when the bureau was created, four reductions having been effected.

Approximately 75 percent of the employers and 18 percent of the employees are not yet covered by workmen's compensation insurance in Indiana. Indiana requires employers having one or more employees to take such compensation. It is estimated that a total 90,000 employers should be carrying workmen's compensation insurance covering 860,000 employees.

#### Makes Eight Recommendations

The committee had eight specific recommendations to present in its report to the senate. They are:

(1) That the workmen's compensation rating bureau law should not be repealed but merely refined and improved.

(2) That the law should be amended to include occupational disease rates.

(3) That the rating bureau should install a policy for handling of complaints; that a complaint form should be drawn up and filed with the insurance commissioner; and that a regional committee should check these complaints to approve their disposition or to take action on those not already disposed of.

(4) That the regional committee which governs the bureau should have an additional member in the person of an individual appointed by the president of Indiana University. This person would be representing the public and not the insurance companies.

#### Investigate Hazardous Risks

(5) That the hazardous risks which experience difficulty in getting coverage should be investigated by the rating bureau and the insurance commissioner with a view to seeing how such risks may be taken care of. This is said to apply especially to mining companies, as these have had difficulty in getting coverage at a desired premium rate.

(6) That all reciprocal insurance organizations should be included in the rating bureau.

(7) That the regional committee should meet quarterly unless excused by the insurance commissioner on the basis of insufficient business to be transacted.

(8) That the stock companies should be allowed to issue participating policies on workmen's compensation if they so desire. At present only mutual companies can pay dividends and are thus in an advantageous position so far as getting business is concerned.

On the investigating committee were Senators C. H. Bedwell, chairman; W.

## Set Dates for La. and Va. Hearings

A hearing is scheduled to be held April 14 on the question of whether to make permanent a temporary injunction that has been issued by the federal court in New Orleans restraining the Louisiana authorities from enforcing the Louisiana resident agency act. The temporary writ was issued in the case brought by H. C. May, New Orleans manager for Travelers, and the 34 company members of the Association of Casualty & Surety Executives.

That case has been combined with the similar action brought by Employers Casualty of Texas some weeks ago.

Employers Casualty, in its application for an injunction, stated that it received \$169,940 in premiums during 1938 on risks within Louisiana. Of this, \$91,482 was on business developed by non-residents of Louisiana, of which \$85,092 was produced by salaried employees with no commission. The balance of \$6,389 was produced by various agents in other states who received commissions on it of \$510, none of which was allotted to countersigning agents in Louisiana.

Of \$78,482 in premiums produced within Louisiana through licensed agents \$71,274 was produced by T. E. Fergusson of Shreveport and \$7,184 by the Seymour agency of Monroe. Commissions paid amounted to \$12,346.

Employers Casualty closed its Louisiana office in 1933 and made a deal with Mr. Fergusson, who had been a salaried employee, whereunder he was to receive commissions on renewal and new business that he was able to hold and that he would countersign contracts produced outside of the state, without receiving a commission for that service. Under the Louisiana statute, Employers Casualty complains that it would have to pay about \$4,500 in commissions in the state on business controlled by non-residents.

#### DELAY IN VIRGINIA CASE

RICHMOND.—Hearing before a three-judge federal court on the constitutionality of the Virginia countersignature law has been postponed until April 26. It was to have been held March 20 at Alexandria, Va., but the order directing postponement fixes Richmond as the hearing place instead. The postponement was requested by counsel for the 34 casualty companies which are plaintiffs in the action. The plaintiffs have already obtained a temporary injunction restraining enforcement of the law pending a hearing.

R. Beardsley, Elkhart, and W. S. Chambers, Newcastle.

The source of some of the recommendations presented by the investigating committee have caused some conjecture. Especially is this true in reference to the eighth recommendation, which suggests that stock companies should be allowed to issue participating policies. A full explanation for this was not given by the committee.

The recommendation that the rating bureau be given the power to pass on occupational disease rates will evidently be favored by quite a few. Regulation of such rate has been a subject of discussion for some time.

The regional committee participating in governing the rating bureau affairs at the present time includes Aetna Casualty, Employers Liability, U. S. F. & G., Travelers, Liberty, American Mutual Liability, Lumbermen's Mutual Casualty and Employers Mutual Liability.

While the report of the investigating committee does not entirely give the compensation rating bureau a clean bill of health, it does express confidence in the bureau's activities. While providing a series of checks which have not been in existence in the past, it also suggests that the bureau be given further responsibility. In either event it

## Pink Favors Insuring the Driver

### New York Superintendent Advocates Changes in Message to Legislature

NEW YORK.—Superintendent Pink comments favorably on proposals to insure drivers rather than cars in writing automobile liability and property damage in his annual report to the legislature.

"The car," he said, "is not essentially dangerous but becomes so when driven by an individual. It is difficult to rate a car because nobody knows how many are going to drive it. It would seem more logical to rate the individual on his individual qualifications and his personal experience."

Mr. Pink threw cold water on proposals for any form of automobile compensation insurance, saying such a setup probably would fail in its objectives and would very likely be held unconstitutional.

Discussing compulsory automobile insurance Mr. Pink said that despite charges that the Massachusetts plan had brought politics into rate making and forced companies to accept undesirable risks, it has resulted in more cars being insured. He thought the compulsory feature might make for lower rates, though he conceded that it certainly encouraged claims and perhaps bred carelessness.

Warning against blindly following the Massachusetts system, Mr. Pink said that rating and regulations and control should remain as they are and that even under a compulsory plan there should be no political interference, despite the likelihood of strong political pressure from those who could not get coverage if companies had a free hand to reject risks.

Commenting on the trend toward comprehensive policies in more and more branches of insurance, Mr. Pink observed that there is a transition stage from the single-risk policy to the true comprehensive policy. The intermediate policy permits the insured to pick the perils he wishes covered at a specific rate for each. He said it may be possible to set up rate classifications for certain combined perils without greatly upsetting the statistical system during the transition period. It is entirely possible to follow the same road as the inland marine insurers, which, he said, would "undoubtedly meet with approval by the public generally."

#### Advisory Committee Is Named

LOS ANGELES.—President W. B. Cleves of the Casualty Insurance Adjusters Association has named an advisory committee for the Southern California Index Bureau, to cooperate with the bureau in handling its affairs: W. J. Whitchurch, Continental Casualty, chairman; S. S. Tipton, Associated Indemnity; B. T. Shepard, Hartford Accident; Freeman Reed, Standard Accident; A. J. Morrissey, Employers Casualty; Frazee Burke, Pacific Indemnity, and H. R. Thomas, American Automobile.

#### A. & H. Group to Elect Officers

The Chicago Accident & Health Association will elect officers at its next meeting on March 14. Charles Dubach, Hartford Accident, chairman of the nominating committee, will make his report at his time, on the members suggested as officers for the coming term. The meeting will be held at the Great Northern Hotel.

is a distinctly contrary report to what was probably desired by Senator Deniston. It is understood that Deniston is a contractor and that he may have had some unfavorable experience in regard to workmen's compensation. This may have prompted him to introduce the bill to abolish the bureau.

## Hospital Association Abandons Plan

### Continental Casualty Takes Over Contract Holders on Experimental Basis

Good Samaritan Hospital Association, Sandusky, O., has announced that it is abandoning its hospitalization plan and that an arrangement has been completed with Continental Casualty whereby the company will issue to holders of Good Samaritan contracts policies of hospitalization on an experimental basis.

The reason for this as given by the hospital association is that group hospitalization features added to life insurance group policies in Sandusky factories have limited the field of the Good Samaritan plan. With the large casualty companies all in this field and with the experience and service which they can give, the hospital decided to retire its hospitalization contracts.

Good Samaritan Hospital, while a pioneer in the field of group hospitalization—it has had a plan in effect during the past six years—has not had its plan operating according to American Hospital Association standards. Furthermore, its experience during the past six years has not been exactly good. While at first a fair number of people joined the plan, the association, it is understood, never did attain its goal of 1,000 contract holders. The nearest to reaching that goal was a few years ago when almost 600 contract holders were said to be on the books of the organization. Since that time there has been a steady loss of members under the plan.

It is said that Continental Casualty has taken over the Good Samaritan contracts purely as an experiment. It is further understood that the premiums under this plan will be higher than under the plan provided by the hospital association.

The Good Samaritan plan, it is believed, did not conform with American Hospital Association standards.

#### Came From Texas

Promoters of the plan in Sandusky are said to have come from Texas where the movement was first introduced as an experiment by the Baylor University Hospital in Dallas. When Dr. W. W. Willing, one of the promoters of the plan in Texas, moved to Sandusky, O., he carried with him the idea of promoting such a plan among hospitals in Sandusky.

Following his death his wife faced with the problem of earning a living, started the Good Samaritan plan. Since then Mrs. Willing moved on to New Jersey where she is still engaged in hospitalization work, but it is said, she has learned from experience that non-profit plans as approved by the American Hospital Association are the most stable and of greater merit than those of the promoter type.

It is said that hospitalization plans as approved by the American Hospital Association have never failed to meet their obligations.

According to information available, the Continental Casualty, under the arrangement in Sandusky, will not write maternity benefits for unemployed women. The Good Samaritan Hospital, it is understood, will supply this deficiency by providing such coverage as expressed in its present contract for those which are now in effect. It is further understood that some hospital plan organizations have approached insurance companies on the basis of reinsuring their risks. However, information is lacking as to what associations have done so.

After a lapse of three years, Vice-president M. J. O'Brien of the Fidelity & Casualty, is again upon an agency trip along the Pacific coast. En route home he will stop at New Orleans, Dallas and other centers of the south and the southwest.

# POINTERS FOR LOCAL AGENTS

## Boiler and Machinery Is a \$14,000,000 Business

J. H. Eglof urged those attending the Insurance Institute of Grand Rapids, Mich., to become enthusiastic about steam boiler insurance. Mr. Eglof is supervisor of agency field service of Travelers. In 1937, he pointed out, 22 companies had boiler premiums of \$9,000,000 and 20 companies had machinery premiums of better than \$5,000,000.

The average yearly number of pressure vessels insured in this country in recent years is more than 321,000, and machinery coverages averaged about 74,000 yearly.

One boiler in every 170, he declared, is physically unsound and unsafe. One boiler in seven has dangerous defects and one in two possesses minor defects.

More than 1,000 serious accidents occur annually and about 1,000 persons are killed and injured in those accidents. Mr. Eglof cited specific accidents to indicate the extent of the danger to life and property.

About 80 percent of boiler failures can be traced to the effect of impurities in the natural water. The extent of that impurity has to be determined by a chemical analysis of feed water. This has led to the highly specialized and individualized service afforded by insurers. The service given includes a survey of equipment, internal and external examination of insured objects, supervising of necessary tests, submission of recommendation for prevention of accidents, and advice for economy of operation.

## Urges Sale of Collateral Lines

(CONTINUED FROM PAGE 5)

dence, for example for the extended coverage endorsement sale to be materially increased. He also referred to use and occupancy. The need for this sort of coverage, he said, is apparent in almost every enterprise. The potential income from this source, he declared, is tremendous. When this insurance has been sold sales resistance rapidly declines and the buying public, he adds, soon learns the wisdom of purchasing full protection.

### Selling Innovations

He reviewed the progress made in selling certain innovations made in the business. He referred to the additional charge for waiving of the fallen building clause in California. The principal producers immediately made this a part of their general recommendations. Following the Santa Barbara earthquake in 1925, earthquake insurance became common, not because there was any greater need for it and not because its needs had been minimized by the sales forces but rather because the entire sales force made a point to talk about it and recommend it. In a general strike in San Francisco hundreds of thousands of dollars in premiums were written in strike and riot policies.

Mr. King said there are certain important developments in the use and occupancy market that can be used to promote sales. First, the R. F. C. is requiring U&O insurance on all its principal loans. The federal authorities have been driving the banks to make long term business loans. Some may run as long as five years. Use and occupancy should be required to protect these loans.

Mr. King said the fact that an assured has a value in building and equipment does not make him a good credit risk for a bank. The fact that the buildings and equipment represent earning power is the thing that makes the credit of the applicant good. Use and occupancy protects this true credit base.

Mr. King said there are thousands of properties that are under insured. Recent adjustments in average clause credits make it profitable again to solicit these risks. He said the work of the Business Development Office and the Western Underwriters Association at Chicago is definitely constructive inso-

far as increasing premium income is concerned.

Mr. King said that it is the duty of all companies to see that there is no let down in the caliber of their personnel. A business which is not expanding does not appear attractive to the ambitious young men seeking employment.

## ADJACENT PROPERTY

SAN FRANCISCO.—G. W. Clarke of the law firm of Clarke & Clarke in Seattle, in his talk before the Pacific Fire Underwriters Association, took as his subject "Insurance protection against legal liability for the destruction of adjacent property of others by fire." He said in part in his conclusion:

"Where coverage protecting against legal liability for the destruction of the property of others is written by a fire company, it seems only proper that a provision should be included in the form similar to that found in casualty policies. The company should have the right and duty to defend or compromise the third party claims, the assured should be required to cooperate, and the time within which the assured must bring suit under the policy should be extended to one year from the date of the ascertainment of the assured's liability to the third party. The standard sprinkler leakage liability form contains provisions with respect to the company defending third party claims and suits but has no provision for the extension of the year limitation for suit by the assured."

### Problem of Coinsurance

"Another problem that arises in the adjustment of fire policies which cover both the goods of the assured and property of others in his custody for the loss of which he may be legally liable, is that of coinsurance. Such policies usually carry a coinsurance clause, and it seems that an assured in figuring the amount of insurance that he should carry in order to comply therewith almost invariably ignores the third party goods. The question first arises as to whether the third party goods upon the premises should be included in figuring coinsurance upon all losses, or only in cases where the origin of the fire was such as to make the assured legally liable for their loss. As far as we have been able to determine, this question has never been before the courts."

"It has been argued that since the third party goods are within the coverage only when the assured is legally

liable, they should not be included for coinsurance purposes unless the fire originated under circumstances that would give rise to such liability. Upon the other hand, it has been said that the assured is constantly protected against his liability, if any, for the loss of these goods and that they should be included in the values at risk for coinsurance, even though under the particular loss being adjusted the assured would not have been liable had they been damaged.

"Under any circumstances, it is plain that where a fire did start through the negligence of the assured, all third party goods upon the premises were at risk and within the policy coverage whether they were damaged or not and the assured by virtue of their presence may well be faced with a heavy coinsurance penalty upon the adjustment of the loss on his own property.

### Should Be in a Separate Form

"If coverage against legal liability for the destruction of property of others by fire is to be written by fire companies, it would seem that it should be contained in a separate form embodying the casualty provisions hereinbefore referred to, and entirely distinct from the form protecting the assured against loss to his own property. This is true not only as to liability for damage to adjacent property but also as to goods in the custody of or on the premises of the assured.

"The latter type of coverage is too often simply added to the policy covering the assured's own property by a broker who believes that he is granting broader coverage, but who fails utterly to consider the possible complications in the event of loss and the fact that by so doing, the recovery of the assured for loss to his own property may be seriously impaired or at least delayed by coinsurance complications or a dispute as to whether there is in fact any liability to the third parties.

### Shows Need of Protection

"The practice of writing it in a separate form would undoubtedly help focus the attention of the insuring public on the existence of and the need for such protection, not only as to goods in the custody of the assured, but also as to adjoining and adjacent property to which a fire might spread and where the amount of liability is almost unlimited.

"If the insuring public was educated as to the reality and extent of the risk and the fire companies would come out with a special form designed to protect against legal liability for the destruction of the property of others by fire, whether located on the premises of the assured or not, and embodying appropriate provisions for the handling of such claims, it would seem that a new and lucrative field of premium income might be developed and an important forward step taken toward the closing of the gap between uninsured hazards."

## BOLSTERS CREDIT

SAN FRANCISCO.—Credit has been more or less dependent upon insurance since the London fire—the first great catastrophe of record—when the disaster ruined men and organizations whose credit had always previously been beyond question, according to D. I. Bosschart, president of the National Association of Credit Men who brought out this phase of the constructive program of the Pacific Fire Underwriters Association. In more recent years credit and insurance have been business twins, for said Mr. Bosschart, "sound credit,

the life-blood of modern business cannot exist without sound insurance."

"Adequate coverages against the various hazards which can confront a business are essential to trade continuity," he continued, saying further: "Recognition of this by credit executives has resulted in a continually increasing interest, by those charged with responsibility for credit, in the subject of credit's relationship to insurance."

"Hardly an account is opened today without the credit department asking for a financial statement. The credit manager is looking more and more behind the financial statement to the protection backlog for the assets set forth in a financial statement by way of insurance protection."

"Some of our credit executives have gone to the point of requiring that insurance policies covering their big customers shall be submitted for periodical checking and a large group of our members now insist that adequate protection be carried by customers where the credit risk is a big item."

Mr. Bosschart described the new insurance statement adopted last year and how more credit executives are showing increased interest in numerous coverages, many of which heretofore were not considered by the credit men as essential. It is a definite part of the educational program of the credit men's association, he said, to advance the use of this form by the members and that it is hoped that the new form will increase the number of credit managers who will insist upon adequate coverage. A further development to the advantage of the insurance business is the report that 85 percent of the credit men affiliated with the association have been placed in charge of the insurance purchases of their own firms.

### Reviewing Insurance Program

"Practicing what they recommend to debtor firms," said Mr. Bosschart, "credit executives have followed a policy of having their own firm's insurance program reviewed annually at some regular period. Realizing the need for a competent judge of their insurance requirements, they have usually placed insurance analysis and supervision with one competent source, although the actual distribution of policies is frequently among several brokers or agencies who have a definite knowledge of their particular business field."

"And in turn the credit executive's firm gains a greater appreciation of insurance by studying the needs of debtors, so have many brokers and agencies broadened their own insurance knowledge through a realization of the necessity of being acquainted with the special problems of their corporate clients."

"Because it is the credit man's responsibility to do more than protect the account, he has developed a constructively selfish policy of advising both his own and debtor firms to have an insurance survey made. Through such an analysis of risks, the credit executive surrounds his credit work with additional protection. At the same time he is reinforcing his own firm's ability to collect a particular account he is aiding the debtor in case a disaster strikes against which the debtor had been previously uninsured."

"It frequently happens that certain additional or revised coverages become noticeable after such an analysis of a debtor firm's insurance protection. Oft times the debtor firms are shown how they can make premium economies and, to the credit of the insurance world, the fullest cooperation is usually extended by the insurance companies."

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# FIRE INSURANCE NEWS BY STATES

## MIDDLE WESTERN STATES

### Plan Cleveland Stock Cover Rally

CLEVELAND—A luncheon meeting devoted to stock insurance will be held in Hotel Hollenden March 22 under the joint sponsorship of the Cleveland Board, Fire Underwriters Association of Ohio and Casualty Underwriters Association of Cleveland. Tickets are obtainable from the Cleveland Board at \$1.15 each. Invitations have been issued to fire and casualty company executives, local boards in northern Ohio and a number of Cleveland organizations outside of the insurance business, and it is expected a representative group from Chicago and New York will attend.

Wellington Potter, nationally known Rochester, N. Y., agent, who has addressed many insurance groups, will be feature speaker, his subject being "Intestinal Fortitude." He will give demonstrations and explanations of practical selling of stock insurance and how to meet competition of other insurers. Mr. Potter assures that as a result of his practical demonstrations those attending will be repaid by retaining one risk which might otherwise be lost or by obtaining at least one new risk.

This is the second meeting of the kind to be held in Cleveland in the interests of stock insurance. The one held last year was highly successful.

### Wis. State Fund Change Less Certain

MADISON, WIS.—The Wisconsin assembly has reconsidered by a vote of 53 to 39 its action by which it endorsed 46 to 41, the bill which provides that no property other than that of the state shall be insured in the state fire fund, effective Jan. 1, 1940. The fund, originally established to insure only state property, now provides insurance for 498 school districts, 121 cities, villages and towns, and 29 counties. The bill was re-referred to the committee on insurance and banking where further hearings will be scheduled. Headed for passage by endorsement Feb. 23, the bill is now back in committee for consideration of amendments expected to be submitted. In view of the change of attitude registered by the vote on reconsideration, it is believed that bill will have less chance for passage when it comes back to the assembly from committee. The League of Wisconsin Municipalities has joined in the opposition to the bill. It has been suggested that in case the bill is passed and the fund confined to insuring property of the state, the league members band together in a mutual insurance company to provide self-insurance.

#### Asks For Consistency

"You either believe that the state of Wisconsin is going to keep out of business entirely, or you believe it can go into all kinds of business," Mark Catlin said in supporting the bill. "The principles involved in this bill represents a certain theory of government. We have one set of rules for business, and the government goes around and says, 'Here, you're not living up to this,' but yet turns around and engages in the same practice itself. The state could not engage in the insurance business if it lived up to the practices it sets up for the insurance business."

Commenting that the laws provide that private companies may not insure a single building for more than 10 percent of its assets, Catlin added: "Yet

\$900,000 of the state fire fund of \$4,000,000 is tied up in insurance of a single fire trap, the state hospital at Winnebago."

#### To Explain Insurance Program in Nebraska

LINCOLN, NEB.—C. B. Holmes, state crop insurance supervisor, announced that slightly over 13,000 Nebraska farmers have secured policies in the Federal Crop Insurance Corporation, for whom a production of 75 percent of normal, or 7,800,000 bushels is guaranteed. The average wheat crop in the state is in excess of 48 million bushels. A series of conferences to explain the adjustment program will be held in the state in the next two weeks, attended by the county committeeman in charge of conservation work, the adjuster selected by the county committee and the county listing clerk.

The plan is for every insured farmer with a damage claim to report to the county committee. Adjustment reports are to be checked by the committee and actual settlement will be made by the branch offices of the corporation. Growers may receive indemnity payments in the form of warehouse receipts for actual grain or in its cash equivalent.

#### Kansas Hail Rates Are Modified

The Kansas Inspection Bureau issued new hail rates for growing crops effective Feb. 20, which are changed little from the 1938 rates. Basic rates for two counties were changed, Smith county being moved from 4 percent to 5 percent territory and portions of Pawnee county from 11 to 7 percent group. Crested wheat grass was added to the list requiring "surcharge rates," being placed in the 2 percent class. Expiration date on oats was changed from Sept. 1 to Aug. 15, the same as winter wheat. Hail rates in Kansas vary from 3 percent in eastern counties to 12 percent in 18 western counties. No change was made in the 10 percent or 20 percent deductible clause, the 25 percent minimum loss clause or the 25 percent accumulative-deductible clause.

#### Iowa Association Shows Gains

DES MOINES—The Iowa Association of Insurance Agents will report a marked growth in membership at the National association mid-year meeting next month. Membership is now 362 compared to 219 last September. Officers hope to double the 219 mark by the time of the state convention in Mason City next fall.

#### Wichita Insurors in Safety Drive

The Wichita Insurors at a meeting adopted a highway safety program in cooperation with the chamber of commerce and police department voting \$100 toward cost of placing safety signs on outdoor billboards, and backing a campaign to reduce automobile-pedestrian accidents. It was reported 80 percent of fatal auto accidents in Wichita last year involved pedestrians, the majority over 65 years of age. President H. N. Fullington presided.

#### Federal Court Lacks Jurisdiction

LANSING, MICH.—Barring a possible appeal to the U. S. circuit court of appeals, the receivership proceedings involving Lapeer Farmers Mutual Fire were left undisturbed in the Ingham county circuit court by dismissal of a petition filed in federal court at Detroit by a group of members that is seeking to balk collection of an assessment. The federal court held that it had no jurisdiction.

The plaintiffs were advised that if they believed they were being unjustly treated by the Ingham court they should seek removal of the receivership to the Lapeer circuit court where some 220 suits filed by the receiver against members are pending and about 40 default judgments have been taken.

#### No Insurance on Court House

OMAHA, NEB.—The Douglas county board discovered no insurance has been carried on the courthouse for a number of years. Commissioner Edward Jelen, the board's courthouse chairman, made the discovery and was given permission to get bids for insurance.

#### Joint Meeting in Des Moines

DES MOINES, IA.—T. Alfred Fleming, director of conservation of the National Board, will address a joint luncheon of Des Moines insurance men March 13. Organizations represented will be the Iowa Fire Underwriters Association, the Blue Goose, Des Moines Casualty & Surety club, Bureau Field club, Iowa State Fire Prevention Association and the Des Moines Underwriters Association.

#### Mennonites, Not Amish, Interested

David Hogg of Fort Wayne, Ind., declares that an error was made in stating that Brotherhood Mutual Fire of Fort Wayne is limited to Amishmen and that Amishmen are forming the affiliated Brotherhood Mutual Life at this time. As a matter of fact, Mr. Hogg, who is general counsel for both companies, states that Brotherhood Mutual Fire has been limited to Mennonites and the Mennonites are forming Brotherhood Mutual Life.

Mr. Hogg states there is not a single Amishman insured in Brotherhood Mutual Fire and there is not likely to be.

#### Joins National Mutual

S. E. Hanawalt, production manager for the Mill Mutuals, Ohio department, Columbus, Ohio, has resigned to become manager of the National Mutual of Celina, Ohio, of which E. J. Brookhart is secretary. Mr. Hanawalt began his service with the Mill Mutuals early in 1929 as a solicitor. Shortly after when the department changed its plan of operation to the agency system, he acted as an inspector, later on as a special agent, and since 1935 as production manager. He formed a wide circle of friends among the agents throughout Ohio and West Virginia.

#### Jefferson Adjustment Expands

The Jefferson Adjustment Bureau of Detroit, which has completed five years of work, has confined its activities to automobile losses. It is now entering the fire adjustment field. Fred C. Heintz, well known in Detroit insurance circles, has joined the Jefferson Adjustment and will have charge of the fire adjustment department. He has been connected with the Western Adjustment, the American Appraisal and the insurance department of the HOLC. The fire adjustment department at first will be confined to Detroit but eventually will be extended to its other branch offices.

## IN TABLOID

Superintendent Lloyd of Ohio is spending the week in New York.

Cincinnati Fire Underwriters Association has adopted an official insignia embodying a minute reproduction of "Old Ticonderoga," one of the first steam fire

#### Minneapolis Insurance Men Indulge in Stair Climbing

MINNEAPOLIS—Several hundred Minneapolis insurance men were inconvenienced when elevator operators in practically every downtown office building went on strike.

In the Northwestern Bank building, in which several of the larger agencies are located, including Marsh & McLennan, Northwestern Mutual Life, and David P. Jones & Co., arrangements were made to transact business on the bank floor.

A. B. Caswell, president Minnesota Association of Insurance Agents, has his office on the 11th floor of the Northwestern Bank building. The association offices are on the ninth floor of the Metropolitan Life building several blocks away. Having some mid-year conference business to attend to Mr. Caswell had to descend from his 11th floor office and walk up nine floors of the other building, then reverse the procedure.

Clyde B. Helm, secretary Insurance Federation of Minnesota, had a comparatively easy climb to the fifth floor of the New York Life building. Pat Ware, manager of the Minneapolis Underwriters association, could laugh up his sleeve at most other insurance men. His office was only on the third floor of the Foshay tower. But they all agree that the strike unsettled business for several days.

engines in America used by the Cincinnati fire department now on display at the Ohio Mechanics Institute in Cincinnati.

W. J. Griffey was elected president of the newly formed local board in Excelsior Springs, Mo., which is affiliated with state and National associations. Ruth McRorey McKee was elected vice-president and E. L. Wharton secretary-treasurer.

Kansas rule book changes were discussed at the meetings of the Hutchinson Board and the Wichita Blue Goose.

H. R. Johnston of the Dulaney, Johnston & Priest Agency, Wichita, Kan., and Mrs. Johnston are spending six weeks in southern California.

At Bay City, Mich., in a conference of city officials with engineers of the National Fire Protection Association it was urged by the latter that action be taken to provide more firemen, an aerial ladder truck, an adequate building code and campaign of education to reduce the large percentage of fires in dwellings. Sparks on shingle roofs are the leading single cause of building fires.

The fire loss record of Saginaw, Mich., is now favorable with a per capita loss in 1938 of 97 cents. The fire department, deficient in man-power, is efficiently and capably administered. A modern and comprehensive building code has been drafted and will soon be submitted for adoption.

R. D. Hobbs and P. R. Wesley, Western Actuarial Bureau, attended the Cotton Conference held recently in New Orleans. The meeting which lasted two days was devoted to a discussion of standards and forms of cotton insurance. All discussions were carried on in round table fashion.

T. Alfred Fleming, director of conservation National Board will speak at a public affairs luncheon of the Omaha Chamber of Commerce on March 10.

The following new Ohio deputy fire marshals have been appointed by Fire Marshal Ray R. Gill: Joseph Ross, Dayton; I. R. Kneisly, Osborn; J. B. Gale-

man, Rittman, and J. J. Butler, Hillsboro.

At the meeting of the Stock Fire Speakers Association at Columbus, O., William L. Egel, Yorkshire, and J. W. De Cessna, Royal, spoke.

E. R. Barton, superintendent casualty department of the U. S. F. & G., will speak at the March 14 meeting of the St. Paul Association of Insurance Women. "Bosses night" will be observed April 11 with W. S. Ellis, Royal-Liverpool group, Chicago, discussing "Multiple Locations."

The Minnesota insurance department has been crippled by illness among the

staff. Commissioner Yetka and Al Burger, chief examiner, have been among the victims.

Paul Pizer, Maxwell, In., agent, has been elected president of the Maxwell Commercial Club.

The Farmers Mutual Home of Ohio has moved its home office to Lorain. C. W. Elliott is secretary.

C. C. Decker, who formerly operated an agency in Lawrence, Kan., and for a time was associated with the D. E. Soden agency, Goodland, Kan., has joined the Aetna Casualty at Kansas City.

George C. Jones, Minneapolis local agent, has been appointed conservator of the Minnesota rural credit department.

George S. Howes, special agent and adjuster for the Iowa Mutual in northwestern Iowa, has been transferred from Des Moines to Spencer, Iowa.

Personal Service, 215 West Jefferson street, Fort Wayne, Ind., agency, has been incorporated by Carl R. Smith, Byron Beaber and Charles E. Dare.



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## SOUTH

### Deficit Forces Oklahoma Action

The executive committee of the Oklahoma Association of Insurers decided to abolish the office of manager held by L. J. McCoy purely as an economy measure inasmuch as it was seen that the organization was headed toward an overwhelming deficit. What is revealed in Oklahoma is indicative of the situation in some other states that have a similar official. It is a difficult task in most cases to keep the income at a point where the extra outlay may be met. Mr. McCoy returns to his old home at Ponca City. He says that he has not made any plans for his immediate future. The detail work of the association will be carried on by H. T. Moran, who is secretary, in the First National Bank building, Oklahoma City.

### Texas Exchanges Elect Officers

The Tyler, Tex., Insurance Exchange has elected B. C. Floyd president, and Richard Hicks, secretary. The Port Arthur Exchange has named J. E. Snell, president, and R. W. Tucker, secretary. At Waco Davis Stribling was elected president and Paul Cunyus, secretary. The Wichita Falls Exchange elected C. Y. Tully president and Mrs. Mildred White, secretary. The Vernon Exchange named R. H. Coffey president and S. C. Hogsett, secretary.

### Saunders Heads Richmond Agency

William C. Saunders, Jr. was elected president of the Richmond, Va. local agency of Julius Straus & Sons, succeeding Irving J. Straus, who died soon after he recently acquired an interest in the agency and was elected vice-president. Mabel B. Straus, widow of Mr. Straus, has been elected vice-president to succeed him. Other officers are: Percy J. Straus, treasurer, and Charlotte E. Livesay, secretary.

### Field Men Quiz J. D. Saint

NASHVILLE—A special noon meeting of the Tennessee Fire Underwriters Association was addressed by John D. Saint, manager Tennessee Association of Insurance Agents. Mr. Saint outlined the position of the state association on the in or out rule and the field men remained in session until 5 o'clock asking questions. Ray Gustetter, chairman of the executive committee, presided.

### Buchanan Heads Miami Board

MIAMI, FLA.—W. B. Buchanan in the Olympia building, Miami, has been elected president of the Greater Miami Insurance Board. R. W. Butler becomes first vice-president; J. L. Mixson, second vice-president, and R. C. Houser, secretary and treasurer.

### Tennessee Agents Meet March 10

NASHVILLE, TENN.—The Tennessee Association of Insurance Agents under leadership of President W. D. Pettigree, Knoxville, and J. D. Saint,

manager, will end its first year with a meeting of the executive committee, presidents and secretaries of exchanges here March 10. Local exchanges will report and a program will be drafted. The annual convention will be held in October. The status of enforcement of the "in or out" rule, which has been adopted by all exchanges except Nashville and Memphis, which elected to preserve the "status quo" for six months, will be the principal subject at the gathering here.

### Wants Violators Fined

H. J. Heiman, president Oklahoma City Insurers Exchange, sends out a frank notice to members saying that the dual agency rule and the in-or-out rule is being flagrantly violated by many of the prominent members "including the president." As the licensing date is April 30, he suggests that that date be set as the deadline and fine all violating agencies their \$100 deposit, who are not in line at that time.

### Non-Resident Can Get Only 50%

Under the South Carolina agents law, resident local agents must be paid the full commission on South Carolina risks and they may return not more than 50 percent of that amount to the nonresident broker or agent who controls the line, according to an opinion of Attorney-general Daniel of that state. He states that agents and companies that do not comply with this requirement are subject to cancellation of license.

### NEWS BRIEFS

Frank A. Hobson has withdrawn from Craig Miller & Co., Richmond Va., and has opened an office of his own.

Commissioner Bowles of Virginia spoke on "Trends in Fire and Casualty Insurance" at Lynchburg at a meeting sponsored by the Virginia Association of Insurance Agents.

The annual meeting of the Mississippi Association of Insurance Agents will be

held at the Markham Hotel, Gulfport, Miss., May 22-23.

D. G. Foreman, executive secretary of the Texas Association of Insurance Agents, who visited Waco, last week, meeting the local agents there to make arrangements for the annual meeting of the state association, May 18-19, announces that convention headquarters will be the Roosevelt Hotel.

Fancher Upshaw, Sr., Amarillo, Tex., agent, is candidate for mayor there. He is now president of the school board.

Louis A. Nelson has been appointed special agent for the Gottschalk General Agencies, New Orleans. Mr. Nelson has traveled Louisiana for a number of years.

John P. Desmarais & Co., New Orleans general agency, celebrated its first anniversary.

Chris Nungesser of Norton, Bernard & Nungesser, New Orleans, is chairman of the community chest there.

The Gunter-Nicosi Realty Co., Montgomery, Ala., agency, has observed its 26th anniversary, by appointing John M. Ashley, Jr., and John B. Nicosi as vice-president and secretary-treasurer, respectively.

Secretary Raymond S. Mauk of the American General, former Texas fire insurance commissioner, has been appointed chairman of the Houston, Tex., chamber of commerce fire prevention committee. Houston officials believe that a considerable part of the \$800,000 loss of 1938 was due to arson and they have appointed an arson inspector with an assistant to work with the district attorney in catching and prosecuting suspects. All property in the city will be inspected for fire hazards and immediate removal of such hazards will be ordered.

R. L. Van Winkle, former Indiana insurance man, has become associated with Loveland & Tanner, Pahokee, Fla.

Scott N. Brown, who has had five years' insurance experience in Chattanooga, has opened his own offices at 719 Walnut street.

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## PACIFIC COAST AND MOUNTAIN

### Fight Against Illegitimate Agents in Denver Starts

DENVER.—The successful fight of the Denver Association of Insurance Agents to prevent the re-licensing of what the body considered an illegitimate agent was described at a meeting. The action inaugurated a campaign in which individual cases will be taken up. The agent was Clara G. Brown, bookkeeper of a music company. The association sent letters of protest to her employer, Commissioner Cochrane and the Buffalo. In defense it was said the woman was writing no outside business, but further correspondence brought announcement by the music firm that in view of the protest it had decided not to ask for reissuance of the agent's license. The Buffalo notified to the same effect.

Plans of the Colorado Association of Insurance Agents for an educational program among the members of the Rocky Mountain Credit Men's Association were announced. The agents will send a large delegation to monthly meetings of the credit group. Speakers of the agents association will address small group meetings of branches of the credit body.

### F. H. French Is Named Pacific Factory Manager

Frank H. French, who has been acting manager of the Pacific Factory Association for nearly a year, has now been appointed manager. He became acting manager when Walter Van Orden resigned to go with National Fire in its Coast department.

Mr. French was originally connected with the Factory Association at Hartford. He served for several years in

the Pacific northwest and Los Angeles before going to San Francisco.

### State Approves Coverage

DENVER.—Approval of the state executive council on policies covering the state treasurer's office has been received by Standart & Main. Premiums total a little over \$4,000. The policies include: \$100,000 for sales and service tax division protection, \$225,000 for state money and securities in transit banks and \$4,775,000 for vaults and safes.

### Phoenix Women Organize

The Insurance Girls Service Club is being organized at Phoenix, Ariz. Its membership rolls will be open to all women employed in insurance offices. Mrs. Viola Dehlaine of the First National Insurance Agency in the Phoenix National Bank building is promoting the cause.

### Brennan Named at Portland

PORTLAND, ORE.—At the Portland Exchange's annual meeting Fred Brennan, was named president; H. R. Drinker, vice-president; Charles Mansfield, secretary; and James H. Banks, treasurer.

New trustees are James H. Banks, John C. Sturm, Charles Mansfield, C. T. Potter and Fred Jewett.

### Over 1,500 Storm Claims

LOS ANGELES.—The Fire Companies Adjustment Bureau here has adjusted 1,500 claims for windstorm damage done by the storm that hit Los Angeles early in February. Manager G. L. A. Lauer called in 11 seasoned adjusters to help his regular force. Re-

ports of damage still are coming in and no effort has been made to estimate the total.

### Vote to Insure Oregon Buildings

SALEM, ORE.—The house voted to authorize the state board of control to place insurance on the state's buildings where fire losses may exceed \$130,000, the sum now remaining in the state's "restoration fund." The bill limits expense for insurance to \$25,000 in any one year, or to \$50,000 in any three years.

### NEWS BRIEFS

The Grays Harbor County Insurance Agents Association met at Aberdeen, Wash., heard Percy J. Perry discuss the "Oakland Plan," dealing with local board placement of insurance.

The Insurance Women of Denver have started an employment bureau to aid experienced fire, casualty and surety stenographers to find placement. Bertha Rachofsky of A. D. Wilson & Co., is in charge.

The final meeting of the senior fire insurance class of the Insurance Society of Washington will be held in Seattle, March 10. Felix Kurz, vice-president General of Seattle, will speak.

H. G. Casper, U. S. manager Eagle Star, is on a trip to the Pacific Coast.

The British America and Western Assurance have both declared dividends of 6 percent.

The Iowa Hardware Mutual of Mason City, Ia., has applied for a California license and the Union Mutual Fire of Providence, R. I., has been licensed there.

The new offices of Ray F. Owen Company, independent adjuster, have opened in the Alaska building, Seattle, Wash., with E. R. Livermore, manager.

Mansfield & Co. is the new name for the former general agency of Brisbane & Mansfield, Portland, Ore. Mr. Brisbane has left for Los Angeles.

Harold Johnson of the Mountain States Inspection Bureau, Denver, also secretary of the Insurance Institute, was married to Betty Jane Smith of Boulder, Colo.

**The Reliable Fire Insurance Co.**  
**Our COOPERATION With Agents helps you make More Money!**



Reliable Fire Insurance Company's COOPERATION WITH AGENTS means that you, as our agent, are always welcome to call directly upon one of RELIABLE'S officers or field representatives for help in solving a difficult problem.

Reliable's state and special agents are chosen for their long experience in field work, for their understanding of the local agent's problems, and for their ability and willingness to help solve those problems. Such cooperation makes RELIABLE FIRE INSURANCE easier to sell.

Well known for financial stability and prompt payment of just claims, RELIABLE has thousands of policies in effect. You'll be proud to represent RELIABLE.

Learn how you can increase your income by selling RELIABLE FIRE INSURANCE. Write today. Address: Wm. F. Kramer, President; E. J. Weiss, Secretary.



### CANADIAN

#### Canadian Losses Disturbing

TORONTO.—Fire companies operating in Canada are noting with the utmost concern the sharp increase in fire losses, as well as the increasing number of disastrous conflagrations. The situation in the province of Quebec is creating the most anxiety and it is understood there is a possibility the federal superintendent of insurance as well as the federal fire marshal will urge a strict investigation of all public buildings.

#### Parsons Is Named Chief Agent

TORONTO—Frank Parsons, Vancouver, B. C., has been appointed Canadian chief agent by the Milwaukee Mechanics and Commercial Casualty, which have recently had their licenses broadened by the Canadian Insurance department.

#### CANADIAN BRIEFS

The County Fire of Philadelphia has withdrawn from British Columbia.

Durham & Bates, Vancouver, is now general agents in British Columbia for the Rhode Island.

Roy J. Hyndman, Ltd., is a new Vancouver agency which will write business for the World Fire & Marine.

S. Clegg has succeeded the late Francis F. Fatt as secretary and treasurer of the Victoria, B. C., Fire Insurance Agents' Association.

Grover Leyland, who recently returned from England, has been appointed Toronto general agent for the Federal of New Jersey and the United States Guarantee.

G. D. Hurlburt, Montreal, has been appointed assistant casualty manager in the Montreal-Quebec branch of the Travelers.

#### STATE & SPECIAL AGENTS

C. R. Dobbins  
3389 Carrollton Ave.  
No. 14  
Indianapolis, Indiana

John B. Tetlow  
112 Cole Court  
Peoria, Illinois

R. E. Metzger  
162 E. Dunedin Rd.  
Columbus, Ohio

Finnell & Finnell  
2527 David Stott Bldg.  
Detroit, Michigan

**RELIABLE**  
**Fire Insurance Co.**  
**of DAYTON, O.**

Now in Our 75th Year

An independent Ohio Company with current surplus to policyholders of \$1,103,183.00

## AGENCY LIFE INSURANCE

INLAND MARINE BUSINESS formerly regarded as a small income class is now recognized as essential to the life of an agency. Arguments intelligently presented will show how Inland Marine covers may be suited to the clients' particular needs, will make old accounts less vulnerable and should develop new ones.

Our BUSINESS DEVELOPMENT PLAN should bring further prestige to the agency which seeks to maintain its standing in the community.

Write us for particulars.

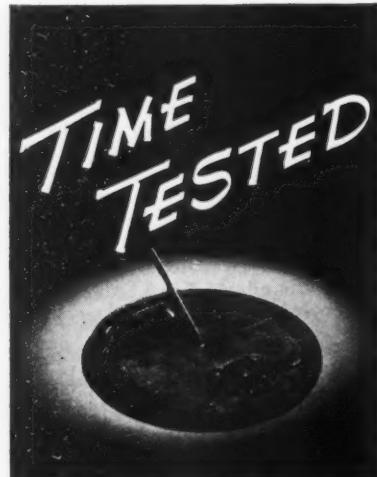
## New York Underwriters Insurance Company

Ninety John Street

New York



**NATIONAL  
UNION  
FIRE INSURANCE  
COMPANY  
PITTSBURGH  
PA.**



AS  
A  
GOOD AGENCY  
COMPANY



## EASTERN STATES ACTIVITIES

### Additional N. Y. State Figures

Herewith are given the net premiums written and net losses paid in New York state during 1938 for most of those fire companies that were not included in the table that was printed in the March 2 edition:

	Net Premis. Written	Net Losses Paid
Allied Amer. Mut. Fire	100,713	18,682
Allstate Fire	36,011	7,028
Amer. & Foreign	469,834	344,571
Birmingham Fire, Pa.	10,973	8,686
British America	114,528	30,939
Columbia Fire, Ohio	40,049	14,450
Dixie Fire	20,024	7,225
Dorchester Mut. Fire	2,057	516
Emmco	485,536	241,813
Enterprise Mutual	101,523	5,256
Farm's Fire, York, Pa.	96,745	45,207
General of Italy	149,515	65,163
Holyoke Mutual Fire	84,600	20,654
Indemnity Marine	103,100	55,662
Interstate, N. J.	406,937	89,017
Liverpool & London & Globe	1,369,783	524,923
Lynn Mutual Fire	19,603	5,549
Mnfrs' Mut. R. I.	169,206	8,761
Maryland	60,766	27,857
Mechanics Mutual	101,523	5,256
Millers' National	274,798	73,526
Ohio Farmers'	154,207	59,483
Rhode Island Mut.	169,206	8,761
St. Louis F. & M.	22,800	11,057
South British	6,691	16,898
State Mut. Fire, R. I.	203,047	10,513

### Reach Compromise on W. Va. Rate Law

The West Virginia insurance department and the various insurance interests in the state have now agreed upon the terms of legislation for fire insurance rate regulation in the state. This is a compromise. The department sponsored some bills of drastic nature for rate control and the agents and companies presented a united front in opposition. The amended bill is entirely satisfactory to the agents and has been agreed to by the companies. It received unanimous approval of the house and senate committees, was passed by the house unanimously, passed the senate this week, and now awaits the governors signature.

The compromise bill provides that every fire company must belong to an actuarial bureau. The commissioner shall have access to the records of these bureaus and shall be empowered to make reasonable rules to secure information from the bureau as to premiums and losses by classes of risks.

All daily reports must be transmitted to these bureaus, which in turn will make regular reports to the commissioner.

Provision is made for the commissioner to review the rates. After an investigation, which must take into account the experience of the five preceding years, the commissioner may call a hearing and subsequently order a reduction in rates upon classes that have produced an excessive underwriting profit.

#### Safeguards Are Specified

The bill specifies that the commissioner, in judging what constitutes a reasonable profit, must give consideration to the conflagration hazard, to degrees of public fire protection, structural standards and occupancy and exposure hazards, as well as loss experience.

Provision is made for a court appeal from any order entered by the commissioner.

The insurance interests feel that this is a reasonable rate regulation statute. They were much incensed at the original proposal, which was introduced largely as a result of crusades that have been conducted by H. C. Ogden of

Wheeling, publisher of 17 West Virginia newspapers.

R. D. Watts of Beckley, president West Virginia Association of Insurance Agents, who mustered his organization in opposition to the original bill, made this statement:

"The agents association feels that in its effort to defeat the original bills and obtain the substitute which has been approved by all interested parties, it has performed a distinct service to the insuring public and to every West Virginia agent. At the same time officers of the association are gratified that it was possible to eliminate some of the features which would have made unbearable the continued operation of fire insurance companies in West Virginia."

One of the most effective steps taken to combat the first proposals was the distribution by agents to thousands of policyholders of the well conceived pamphlet "Fire Insurance in West Virginia—How It Works; How It Serves." It was prepared largely by Stanley C. Morris of Steptoe & Johnson, lawyers, Charleston.

#### Plan Three New Jersey Gatherings

NEWARK — The Essex County Board of Underwriters will hold a dinner meeting March 14, at which time W. H. Bennett, secretary National Association of Insurance Agents will be guest speaker. It is expected a number of officers of the New Jersey Association of Underwriters will attend. The Hudson County Underwriters Association will hold a closed meeting March 21 at Hoboken followed by dinner. Professor L. J. Ackerman, of the course on insurance in Newark University, and

H. D. Holmes, president New Jersey Association of Underwriters, will be guest speakers at a dinner meeting of the Union County Association of Insurance Agents at Elizabeth, March 23. Many special and state agents are expected to attend.

#### Pennsylvania Budget Is Reduced

HARRISBURG, PA. — Under the economy program of Governor James, \$100,000 has been slashed from the 1939-41 budget of the insurance department. In his biennium budget Gov. James recommended \$590,000 be appropriated to the department for two years' expenses beginning June 1. The department's 1937-39 budget was \$690,000.

#### Worcester Agencies to Merge

WORCESTER, MASS.—Two leading Worcester agencies, Munroe, Ingraham & Parker and Crowell, McPherson & Co., will consolidate March 1 as Ingraham, Parker & McPherson. Members of the new firm will include C. Conrad Parker, E. P. Ingraham, W. P. McPherson and D. D. McPherson. Mr. Parker is a past president of the Massachusetts Association of Insurance Agents. W. P. McPherson is a past president of the Worcester Board. D. D. McPherson is now secretary of that board. Mr. Ingram, formerly stamp clerk and secretary of the Worcester Board, is dean of Worcester insurance men.

#### COMPANY NOTES

Louis H. Hoffman, of the John C. Paige Co., Boston, is the father of a new son, Louis H. Hoffman, Jr.

The Frank B. Edgell Agency of Gardner, Mass., founded by John Edgell 102 years ago and continuously in the family since, has been purchased by the C. F. Richardson & Co., also of Gardner. The later agency was founded 59 years ago.



"Don't cry little goil—  
ain't dey insured?"

When you are awakened  
in the middle of the night  
and find a burglar looting  
your bureau, don't waste  
time by crying. You could  
laugh instead, if you had  
taken your insurance agent's  
advice and bought that All-  
Risk Jewelry floater from him

THROUGH

**APPLETON & COX, INC.**  
111 JOHN STREET, NEW YORK  
Marine Insurance Underwriters  
AGENTS OR BRANCHES IN PRINCIPAL CITIES

## National Inspection Company Chicago, Ill.

For 35 years—making inspections and underwriting reports for stock fire insurance companies, in the following states:

Illinois  
Indiana  
Iowa  
Kansas  
Kentucky

Michigan  
Minnesota  
Missouri  
Nebraska  
Ohio

Oklahoma  
Tennessee  
West Virginia  
Wisconsin

J. G. Hubbell,  
H. B. Chrissinger,  
Managers

R. L. Thiele, Ass't. Mgr.  
M. E. Bulske, Chief Inspector

# MOTOR

## Automobile Losses Are on the Decline

Automobile fire and theft losses have decreased materially in the general field due largely to the less number of automobiles being bought. When the authorities began to clamp down on the finance companies and attempted to divorce them from the automobile companies, it had an effect on the number of automobiles sold. The effort to regulate the insurance end of financed cars had an effect. Then again, even outside of financed automobiles the sales have decreased. The second hand automobile market is glutted. In many cities a less number of cars on the street is noticeable. Many offices engaged particularly in adjusting fire and theft automobile losses notice the difference.

Aside from automobile losses the general run of claims is also less due largely to the fact that there has not been severe weather in most sections of the United States during the winter. Adjusters have noticed the decline in number of claims of all kinds so far as fire is concerned for a number of weeks.

### Insurance Data on Financed Cars Asked in Michigan Bill

LANSING, MICH.—A bill covering all phases of automobile installment selling including insurance aspects has been introduced in the Michigan legislature by J. T. Hammond, chairman senate insurance committee.

Sales contracts under the bill's terms must contain "the cost to the retail buyer of any insurance the retail seller has agreed to provide, if the retail seller has agreed to purchase the insurance and extend credit to the retail buyer for the price thereof and if the term of such insurance is less than the contract period, the period of the coverage also shall be recited." Additional provisions are that the contract shall state the type of insurance to be procured and that either a policy or certificate embodying the terms of coverage shall be provided the buyer within 25 days after closing of the contract or the seller shall forfeit any interest in the insurance in event of loss.

The insurance code now contains some safeguards along this line but practices of some finance companies are said still to leave much to be desired. Some time ago the department learned of a case in which a finance company domiciled in another state but with a large office here had been making sufficient revenue through short rate cancellations of policies on tradeins to finance its Michigan office. Only a small portion of the amount thus received was being credited to the car-buyers.

## Types of Explosion for Fire Companies

(CONTINUED FROM PAGE 23)

Fire insurance men take the position that the premiums involved in writing separate boiler explosion on residences are too small to warrant aggressive solicitation on the part of casualty companies and that the overwhelming majority of home owners do not carry this coverage. They maintain that a home owner needs protection against explosion of this type and that he will not have it unless it can be included in the extended coverage endorsement. Further, they contend, the average assured does not have the faintest idea that the extended coverage endorsement, which has been represented to him as including explosion, does not cover explosion of a steam boiler, and that there is certain to be dissatisfaction and perhaps future serious trouble if they are not allowed to assume this hazard. Many observers have felt that covering explosion of a hot water boiler under the extended coverage endorsement and not covering a low pressure residential steam boiler is ridiculous.

The first edition of the extended coverage endorsement of the Chicago Board in 1935, the first form to use this title, excluded under the explosion section only explosion of boilers owned or controlled by the assured. This clause was soon dropped, owing to the charter limitations of fire companies, and the usual exclusion of any steam boiler explosion substituted. In Canada, where there are no such charter restrictions on fire companies, the supplemental contract covers explosion of boilers not owned or controlled by the assured and the fire companies appear to be entirely satisfied.

About nine years ago, a large fire insurance group experimented with an inherent explosion clause excluding only explosion of "power boilers." These were defined as boilers in excess of 15 pounds pressure and it was the intent of the company to cover explosion of low pressure residential boilers. This experiment also was abandoned because of legal complications, but officials of the group felt that their experiment was sound from both an underwriting and a sales viewpoint and hoped that they would eventually be permitted to write explosion insurance on this basis.

### Many Flaws in N. Y. Code Cited in Hearings

Utterances by Chairman Piper at the New York insurance law revision committee's hearings in Albany last week, coupled with his efforts to have his committee continued another year, have enhanced hopes that the committee will drastically modify or eliminate sections which are most controversial or else keep the bill from being acted upon at the current legislative session. Piper's

suggestion that the entire section on insurance counsellors be tabled was viewed as perhaps signifying a realization that it would be better not to push through the most controversial sections.

There is obviously insufficient time to whip the vast, rambling, 700 page document into shape by March 14. On that day all bills not reported out by their respective committees automatically will go to the rules committee. The rules committee might or might not report out the insurance law revision but if Piper is really in earnest about getting action on the code this year his best bet is to have his own committee report the bill out before March 14.

Even if Chairman E. W. Patterson of the insurance department's law revision committee agrees to the suggestions made at the hearings and previously the law would be viewed with much alarm by practically every branch of the business. Flaw after flaw was pointed out by speakers at the hearing. These were not cases of difference of intention between the drafting committee and the insurance business but cases where the proposed wording would result in either inevitable or highly probable future complications. It was also emphasized that despite the discovery of these "bugs," the time available for study of the bill as introduced has been so short that a really thoroughgoing examination of the entire document has been impossible.

Corroborating the strong impression that the draft, despite the excellent and prolonged work that has gone into it, is still far from a finished job was the unanimity with which all groups who would be affected by it—producers, home offices, and the insurance buyers,—opposed rushing the code through in its incomplete form at the present session of the legislature. The only group which appeared to approve of the code in its present form were the insurance brokers.

It was significant that the insurance buyers opposed the law. J. G. Goetz, managing director Risk Research Institute, and W. W. Orr of the New York State Credit Men's Association, urged that the joint committee on insurance law revision be continued for another year rather than having the proposed law put through at this session. Mr. Goetz feels that the committee has done a magnificent job of arranging the law and interpolating in it every rule and regulation of the department but that it has failed to solve the problem of length and prolixity of the present law and instead of condensing and simplifying has introduced additional complications.

The fact that Piper has asked that all suggestions for changes be in his hands by the middle of this week is cited by critics of the measure as indicating the impossibility of trying to do a revising job which would make the law satisfactory.

## Changes Base

Howard E. Mankin, head office manager of Pacific National Fire,



H. E. MANKIN

has shifted his base of operations from San Francisco to the middle west and east. He will share his time between the Chicago western department and the eastern department in Philadelphia, operating much in the same way as Vice-president W. L. Wallace. He finds that it is desirable to be closer to the center of business. Mr.

Mankin opened the marine department for Pacific National in September, 1937.

Previously he was western marine manager for Aetna Fire.

Wayne Holmes, assistant marine manager, remains at San Francisco looking after the Pacific Coast operations and being in charge of the office details of the entire department.

A. E. Kissin has resigned as manager of the western marine department in Chicago.

Missouri, Nebraska, North Dakota, South Dakota, Kansas and Colorado.

Mr. Osterbye has been with McGee & Co. more than 20 years. Until he was sent to Chicago five years ago, he was located in New York.

Mr. Brennan was with Great American in its western marine department eight years and with Fireman's Fund 13 years.

On April 1, the Chicago office of McGee & Co. will be moved to new quarters in A-1003 Insurance Exchange building.

### 40 Year Man Gets 2 Clocks

J. W. Gaede, ocean marine underwriter in New York for Fireman's Fund, was presented with a ship's clock by his office associates and a desk clock by company officers, at a luncheon marking the 40th anniversary of his service with Fireman's Fund.

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### MARINE INSURANCE

the oldest form of Insurance known to Mankind, as well as the most modern types of "All Risks" INLAND MARINE . . . requires the service of experienced Underwriters.



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## TRINITY UNIVERSAL INSURANCE COMPANY

Edward T. Harrison, President

DALLAS, TEXAS

Capital \$1,000,000.00

## Changes Made for Western Business of the Security

(CONTINUED FROM PAGE 3)

is extremely industrious, has applied himself earnestly to his work and it might be said that his health broke because of the extra strain that was placed upon him. Mr. Williams was born at Berlin, Wis., Dec. 27, 1870. He became connected with the local agency of Mendenhall & Hoopes of Duluth in 1890, and therefore he has been in the service for almost a half century. He was appointed special agent of the Fireman's Fund in Minnesota and South Dakota and later became special agent of the old Spring Garden in the northwest, serving from 1896 to 1904. He was elected vice-president of the Spring Garden and went to its head office in Philadelphia.

The Security's western department was established in 1888 by the late Charles E. Sheldon, who at that time was secretary and manager of the old Rockford. He desired a running mate

and was able to make arrangements with the Security. He, therefore, was western manager until it was established as a separate department in 1907. The western department, therefore, celebrated its 50th anniversary in October of last year.

Of Mr. Williams' 50 years' service over 28 have been spent with the Security. He was one of the organizers of the Western Insurance Bureau and later served as its president. He was one of the wheelhorses in that organization. He was one of the original members of the conference committee of the West-

splendid knowledge of the business in the west and his affiliation with the organization will continue to be a moving influence in the Security's administration. Mr. Williams is greatly beloved by the Security people. To many of them he is almost a father. He has taken a personal interest in their welfare. He has always been a constructive force and is responsible for the progress the organization has made in the central west. Mr. Williams will continue his membership in some of the organizations.

### Mr. Hubbell's Career

Mr. Hubbell, who will go to the head office as western general agent, started his insurance career in the western department of the Sun in Chicago when H. N. Kelsey was manager. Later he transferred to the United States office of the Prussian National in Chicago with H. W. Letton as manager. He then went to the western department of the North America and after serving in the office was sent to Iowa as special agent. In 1921 he went to Detroit to become identified with the Interstate Fire which the North British took over. F. H. Sabin was vice-president in charge. On Aug. 1, 1925, he became Michigan state agent of the Security and in that work has achieved distinction and is recognized as one of the able field men in that state.



J. J. HUBBELL, Detroit

ern Union and Western Insurance Bureau, continuing until it dissolved in 1923. He has served as president of the Western Hail & Adjustment Association. Many bureau companies entered the Western Underwriters Association and Mr. Williams thus became active in that organization and served as its president.

Mr. Crawford was associated with Charles E. Sheldon in the management of the Rockford and Security, starting with him in 1890. He, therefore, has had a long record of association with the Security and is regarded as a faithful, intelligent worker in the vineyard.

There will be taken to the head office on May 1, Paul Cregan, who is superintendent of the loss department and is now president of the Western Loss Association; Earl Shearer, chief accountant and Stanton Burgron, one of the chief examiners. The announcement of the change was made last week at the conference of field men held in Chicago when President P. J. Berry and Vice-president W. P. Johnson were present in addition to the executives from the western department.

### Williams Greatly Moved

There were some high spots in the dinner concluding the two days field conference in Chicago last week. Mr. Williams presided. His emotions were greatly aroused by the sentiment of the hour. He had gotten almost all the Security men present in the west for the company. He had been their teacher and friend. J. Pierce Wolfe of Moorhead, Minn., state agent of the Security group and head of his own local agency, presented Mr. Williams with a Hamilton wrist watch on behalf of the field men. Mr. Williams when he was a field man himself in Minnesota appointed Mr. Wolfe as local agent of the Spring Garden. Mr. Williams was so moved that he was unable to express himself and President Berry arose and acknowledged Mr. Williams' appreciation for the gift.

### Presentation to Crawford

E. I. Crockett of Pueblo, Colo., head of E. I. Crockett & Co., state agents for the Security group in the mountain field, presented Mr. Crawford with a golf bag and sticks from the field men. Brief remarks were made by Mr. Hubbell, President Berry, Mr. Tanner and H. Verne Myers, Iowa state agent. C. M. Cartwright of THE NATIONAL UNDERWRITER was the speaker of the evening.

Mr. Williams will be at hand at all times as a consultant and, therefore, his

## Argus Fire Chart Is Off the Press

(CONTINUED FROM PAGE 3)

world within a few days after the last figures are filed. Only five or six small companies failed to get their figures in on time. The showing on stock companies is for ten years, and the transactions are averaged for ten years, and the ratios as well.

For mutuals the showing is admitted assets, unearned premium reserve and surplus to policyholders. The income and disbursement showing includes the net premiums written, premiums plus interest and rents, losses paid including adjustment expenses, dividends, underwriting expenses paid, premiums earned, losses incurred including adjustment expenses, underwriting expenses incurred, and the same ratios as for stock companies.

Owing to the different method of operation a special showing is made for the factory mutuals, and again a separate showing for the farm mutuals. All companies that write \$25,000 in premiums a year or more are included.

The "Argus Fire Chart" is extremely useful to agents in answering questions from customers about any kind of fire and marine companies concerning which inquiries may be made. It is by far the most complete showing available so early in the year. Many agents furnish copies of the "Argus Fire Charts" to their customers.

### Vast Amount of Information

Besides the financial showings of individual companies a vast amount of other information useful to agents is given. For each company there is given the home office address, names of officers, addresses of departments, such as western, southern or Pacific Coast, the group or fleet to which each company belongs, and the par value of its stock.

Orson E. Yenger, Jr., former vice-president of the Woodworth-Hawley Co., Buffalo, N. Y., has opened a general casualty agency in 1222 Liberty Bank building.

WHEN a company is able to lay down better than two hundred years of highly satisfactory relations with policyholders . . . has passed through vicissitudes of world affairs for two whole centuries and grown sound and well seasoned it has acquired that item of value of tested Strength and Stability which benefits the Agent to pass on to the assured.



— 1720 —

## Royal Exchange Assurance

Worldwide Fire Insurance  
Service for 219 Years

## PROVIDENT FIRE INSURANCE COMPANY

Organized in the State of New Hampshire

— 1924 —

## CAR & GENERAL INSURANCE CORPORATION, Ltd.

— 1903 —

The first company organized to write automobile risks

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Fire and Casualty Insurance Lines

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FIRE  
INSURANCE  
COMPANY



HARTFORD  
CONNECTICUT



One of  
THE TRAVELERS  
COMPANIES

THE TRAVELERS  
INSURANCE COMPANIES

The method of valuing securities is indicated. Special reserves of companies are noted with any peculiarities of interest concerning the financial statements. Reciprocals and Lloyds are included.

An especially valuable department for agents who have scattered lines to place is a special index showing where each stock company is licensed. This index is also used as an index to groups or "fleets," and to underwriters agencies. Another interesting list shows each company group, with the companies it embraces, and the premiums for each in 1938. Again, underwriters agencies are listed in alphabetical order, showing the companies to which they belong. Another list shows company changes since Dec. 31, 1929. Thus, if a company has disappeared, either by retirement or merger, an agent can answer questions about what became of it.

#### Additional Information Given

Statistical tabulations of intense interest include the underwriting and investment exhibit for stock companies and mutuals; stock company premiums and losses on different lines, such as fire, motor vehicle, ocean marine, inland navigation, tornado, aircraft, sprinkler leakage, earthquake, riot, civil commotion and explosion, hail on growing crops, rain, flood, water damage, frost and freeze and miscellaneous.

Also shown is the comparative standing of 85 stock fire insurance companies for the past ten years, by admitted assets, surplus to policyholders and net premiums written. A page is given over to a list of organizations allied with the fire insurance business, showing the name of the organization, such as Aero Insurance Underwriters, name of manager, and address.

#### Assets Are Analyzed

One of the most interesting showings is "assets analyzed." This shows for each stock company and the more important mutuals their holdings in real estate and mortgages, amortized value of bonds, market value of stocks, cash and bank deposits, premium balances, and miscellaneous, with the percentage which each class forms of the total amount of assets. The total assets of each company are repeated for comparison.

Of special interest are the compilations of total figures for all companies. These include admitted assets, liabilities, surplus to policyholders, net premiums written, losses paid including adjustment expenses and ratio of losses paid to net premiums. Then separate showings are made for stock companies and mutuals, full coverage automobile stock companies, foreign companies, United States branches, reinsurance companies, marine companies, mutual fire companies, full coverage automobile mutual companies, factory mutual fire companies, reciprocals and Lloyds, and full coverage automobile reciprocals and Lloyds. There is some duplication in these tables, but the specialized figures are of intense interest. Thus full coverage automobile stock companies are included in the total showing on stock fire companies, but are shown separately because of the importance of the automobile lines.

#### Appearance Eagerly Awaited

The appearance of the Argus Fire Chart is eagerly awaited each year by innumerable insurance men. They will spend hours poring over the showings of their own companies or competitors, and over the aggregates shown in various departments. In addition, the Chart is of daily use on an agent's desk, or in his pocket. Many agents carry the Chart so as to be able to answer questions that occur on their rounds.

Its companion publication, the Argus Casualty Chart, giving similar information on all casualty, surety and accident and health companies will be ready for distribution within the next ten days or two weeks. Copies of these charts may be obtained by writing to the Cincinnati office of the National Underwriter Company.

## Need Simplification in Consequential Lines of Insurance

(CONTINUED FROM PAGE 5)

that the term 'use and occupancy' does not convey a proper meaning to the average person. The term 'use and occupancy' covers a number of different forms of consequential coverages. It would include use and occupancy insurance, profits and commissions, rental value, leasehold, or excess rental value, excess freight charges and additional charges and expense insurance.

#### Forms Too Intricate

"Another fundamental mistake we have made in the past, is that we have used some highly intricate forms; hard to understand, hard to explain and as a result, made the mechanics of arriving at values difficult."

Mr. Hedreen said that producers have not felt qualified to go to prospective assured and sell the coverages.

"The first and most obvious step we should take in attempting to solve this problem," said Mr. Hedreen, "is the simplification of forms and methods of presentation, both to our producers, and through them to the public." He said that a small start has been made in some sections along these lines but he also commented on the weakness in this attempt. He said the title has not been selected from the sale standpoint.

#### Problem of Rates

"The problem of rates," he said, "could be simplified to some extent by selecting the most practical form for general use and using the rate for this form as the basic use and occupancy rate. Or all use and occupancy rates could be shown as percentages of the net building rate and eliminate the basic U&O rate entirely. Following the elimination of as much of the unnecessary technicalities as possible from these coverages, our next job would be one of education to solicit these coverages. This would primarily be a problem of presenting sales methods rather than confining ourselves to discussions of the various forms, rates, etc. If an agent understands the fundamentals involved in any coverage he is in a position to present it to a prospect. The prospect is not concerned in the details. It is the fundamental coverage which will arouse the prospect's interest, not the details.

#### Business of Merchandising

"We are, after all, in the business of merchandising insurance and it is to our advantage to display our wares in as salable a manner as possible. I feel that if we had improved our methods of merchandising at the same rate as other types of business, that we would be far ahead of our present position with respect to the volume of insurance against consequential losses."

#### Commissioners Convention Plans

SAN FRANCISCO—Insurance commissioners attending their convention in San Francisco, June 21-23, will have plenty of opportunity to visit the Golden Gate International Exposition without "cutting classes" according to the tentative program outlined by the general committee assisting Commissioner Rex B. Goodell. They will also visit the Big Basin, state park protecting thousands of the giant California redwoods, a luncheon at Del Monte, 125 miles south of San Francisco; the great redwoods in Muir Woods across Golden Gate bridge north of the city; the two great university campuses; enjoy special sight-seeing trips about the city; have a banquet and enjoy a special entertainment program.

Chas. E. Wynne, 69, agent of San Antonio, Tex., for 11 years, died after a brief illness.

## Cites Opportunities in the Insuring of Forests

(CONTINUED FROM PAGE 5)

been sufficient to carry all the forest fire insurance in the Pacific coast territory if all of it could have been written. Those figures, it seems, indicate that the basic requirements are complied with. Forest properties can unquestionably earn enough to permit the payment of an average annual premium of 25 to 30 cents and such a rate level will produce premium in sufficient volume to allow for the probable conflagration deviation. There are other requirements that must be met before practical forest fire insurance can become a reality. For a number of reasons, not all of the forest properties in the Pacific coast territory can be insured, by a single organization at least. Adverse selection, so-called, inevitably presents itself for consideration.

The best safeguard against adverse selection, said Mr. Shepard, is a thorough knowledge of all the hazards and conditions. He also suggested that before forest fire insurance can be successfully written a system must be devised whereby the premium rate of any individual risk can be equitably adjusted to the net hazard. He said that rate schedules have been devised which would serve the purpose of general experimental writing, and that forest fire insurance must have the advantage of a wide spread of liability and a fair average of hazard. Another question is—how much business could be written.

#### Sees Premium of \$2,500,000

"If all the privately owned forest property in the Pacific coast territory could be written," said Mr. Shepard, "at three-quarters of its sound value the total liability would be \$487,500,000 and the total annual premium, at an average rate of 50 cents would be \$243,750. Even if only 10 percent of the poten-

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cially available business could be had the annual premium would come to \$243,750."

**EDUCATION**

**SAN FRANCISCO.**—W. G. Rich of San Francisco, assistant manager of the Royal-L. & L. & G., in his talk before the Pacific Fire Underwriters Association, spoke on vocational education. He said that today the average school-leaving age is from five to six years later than it once was. Seldom it is found that men start a business career before they are 20 or 21. By that time they have acquired certain habits of thought and conduct and their characters are to a large extent formed.

**Must Study the Business**

Mr. Rich said there was a time when a man could learn the insurance business by merely doing the task that was set before him. He had to devote a certain amount of his spare time to studying the business. The conditions presented today, he opines, are not different in kind from those which have already existed but they are different in degree. Business has become more technical and complicated. There is need for varying kinds of coverage. There are no less than 88 types of insurance that can be written by fire and marine carriers. There are many or more written by casualty and surety companies. It is not only important, he said, that the field man know the product he is selling but he must also know a great deal about the product that his competitor is selling.

He should be acquainted with the problems of loss adjustments. Very few now reach their positions through the loss department and as they have little opportunity to adjust losses in the field it is clear that they must overcome this lack of knowledge in some other way. The same sort of knowledge required by the field man, Mr. Rich said, is also to a greater or less degree necessary for those in office work and certainly for executives.

**Offices Departmentalized**

Until recently, Mr. Rich said, it was possible for the wide awake alert man to get a fairly comprehensive view of the business through his daily contacts with the office. In recent years there has been a tendency due to consolidations and coordination of office practice for large offices to become more departmentalized. Insurance classes, he said, are more in the nature of lecture courses rather than study classes. A lecturer at best, he said, can only deal superficially with questions flung at him from the floor. A teacher can deal with specific questions in detail. Mr. Rich, therefore, is in favor of the schoolroom principle.

During recent years Mr. Rich said that some larger offices have established special study classes with certain selected employees. No one is permitted to enter the class unless he has proved he is capable, conscientious and industrious. There must be a director of education, so to speak, in charge. He must not only be academically equipped, he should also have had some years of practical experience in insurance. It is usual in these classes to spend an hour or 1½ hours a week in the class. This time is donated by the employer.

Mr. Rich said the time has come when insurance should seriously contemplate a far more ambitious scheme of vocational education. These insurance classes in some offices point the way. He visualizes the establishment in every large insurance center a department or college of insurance directed by the executives of companies. The faculty should consist of full time salaried instructors. He suggests the establishment of a school for young boys who have graduated from high school and who in their daily tasks are engaged at some routine desk, who are ambitious and have the necessary natural qualities developed to lead to success.

## Record Attendance at Pacific Meeting

(CONTINUED FROM PAGE 5)

ing on consequential losses prefaced his talk with some comment on the problem of meeting the declining fire premium income with new income without further increasing the expense ratio. Therefore, he gave his attention to consequential losses and pointed out a broad field for increased premiums in this field.

D. I. Bosschart, president National Association of Credit Men, made a very impressive talk on the necessity of credit managers ascertaining the insurance protection not only of their own concerns but of customers. Over the country, he said, local associations of credit men and insurance men are getting together for mutual betterment.

C. L. King of San Francisco, assistant manager of the Crum & Forster fleet, gave a stimulating sales talk showing what can be done to increase premium income through collateral lines. He thinks that fire insurance itself is permanently at a lower level and there is little opportunity to augment premiums from basic coverage. He does see, however, a chance to retrieve some of the decreasing premiums through other means.

### W. H. Menn a Speaker

W. H. Menn of Los Angeles, president National Association of Insurance Agents, closed the first day's session with a stirring address on "Company-Agency Relations." Mr. Menn naturally was at home in talking to the organization and hence caught the inspiration of the audience.

Attorney G. W. Clarke, well known attorney at Seattle, presented a paper that was regarded as authoritative and valuable covering a point that had not been developed in so comprehensive a way. His subject was, "Insurance protection against legal liability for the destruction of adjacent property of others by fire."

President A. E. Ross of the San Francisco Employers Council gave a talk on "How can we reduce the hazards in employer-employee relation?" This is a vital subject in San Francisco, especially in view of the maritime strikes of the past and their attendant waste.

F. H. French, who is manager of the Pacific Factory Insurance Association, gave some observations on what can be done through group action against mutual competition.

### S. L. Carpenter Spoke

The last speaker was Manager S. L. Carpenter of the Pacific Board, former California insurance commissioner and a former local agent at Los Angeles, who dilated on the use of organizations.

President Woolley, in his talk, advocated greater opportunity given at meetings for discussing subjects of vital interest. He thinks that in formalizing the sessions the members have lost the opportunity for general discussion. These meetings, he said, provide the basis for constructive thinking.

The speaker further stressed the value of the knowledge of the fundamentals and said that the advanced classes would present an opportunity for the benefit of the graduates of the present study classes conducted for junior members. He asked for further development of public relation activities. He mentioned the increased nation-wide interest in consumer research programs and the results.

### Adapted to Organization Idea

Manager Carpenter of the Pacific Board, in talking about objectives of organized group action, said that the insurance business is peculiarly adapted to the organization idea. This competition, he said, in insurance is disastrous and inimical to public interest. This is recognized by the laws of many important states in regulating or controlling by statute, rates, rules and regula-

tions for insurance. He said that the evils of insurance multiplied from maladjustment and the situation at present is not due to deliberate design but to circumstances beyond control of the business.

### Agency Talk Given

President W. H. Menn of the National Association of Insurance Agents, in his address said that in the production end of insurance, agents are trying to learn more about the principles of the business. In days gone by their only school was the school of experience. It is the definite intention, he said, of the National association to develop educational courses in every state for the purpose of creating insurance representation such as will be able to present to the premium payer the facts and information regarding contracts to the end that the people might better appreciate the value of insurance and the protection it affords.

He mentioned some of the conditions that agents do not consider proper, they being branch offices, appointment of unqualified and irresponsible agents, wholesale insurance schemes, unethical competition, rate cutting. The trend in business, he asserted, is toward improvement and he declared that insurance men have permitted their industry to fall far behind in the race.

### Use of Factory Association

F. H. French, manager of the Pacific Factory Insurance Association, stressed the importance of having all agents, brokers and field men of stock companies know and use his organization. One reason that business has been lost to the mutuals, he said, is because they have offered cheaper cost. In some cases the producer did not properly service the risk when it was in stock companies. He emphasized the necessity for a thorough knowledge of the financial setup of the competing mutuals, learning whether or not the policy offered is joint or several, whether it is subject to assessments, getting the assets and surplus of each company as well as that of the groups and then finding out their reinsurance arrangements.

### Almon Roth's Views

Almon Roth, president San Francisco Employers Council, in his talk said there is no magic formula to end industrial controversies. There is no panacea for industrial ills as long as this is a thriving industrial and political democracy. The best that can be done, he said, is to apply intelligence and courage to reduce the hazards of industrial strife. Good old fashioned honesty and respect for the sanctity of contracts, he said, are other important factors to be considered.

## Meeting Nonstock Competition Theme

(CONTINUED FROM PAGE 4)

of American business," he said. "The prevailing notion of 'let's buy it wholesale' must be stamped out if American business is to be restored to its natural and commanding position.

"The industry of insurance, in planning for the future, must ask itself the question, 'How will it affect the public interest?' Any failure on our part to recognize the rights of the public will only pave the way for those not sharing our views who will give equitable consideration first to the rights of the insurance buying public. Now is no time for stock companies and their agents to fall out over any question of mutual interest. Most certainly it is the worst time in the world for organized agents to fall out among themselves."

W. H. Stewart, Chicago, chairman surety committee of the National Association of Insurance Agents, discussed the value of state associations to the local agent. "There is an impression

among some agents that the state association benefits only the small local agent," he said. "That is not true. The same perplexing problems affect the large city agent as well as the small local agent. The state association helps solve those problems for all members." The work of the Business Development Office was described by its director, A. R. Menard, New York.

"The first two years of our work we stressed security," he said. "This year we are stressing what the assured is getting when he buys capital stock insurance. The insurance buyer who gets the ultimate in security but not in service is not getting the full value of his dollar. It is essential in service selling that you get the policyholder's point of view. He is interested mainly in his problem, not yours. Show an interest in his problem.

### Afraid of Dividends

Mr. Menard advised the local agent to survey every possible hazard of his client and provide him with a written insurance program. This program, he said, should include hazards in this order: essential, desirable, available.

"The one word we are most afraid of in non stock competition is 'dividends,'" said Mr. Menard. "What are we doing to overcome that appeal? We should tell the buyer that dividends weaken the security behind his policy. We should impress upon him that the service plus the security behind our policies pays him a bonus and a dividend."

Clyde B. Helm, secretary of the Insurance Federation of Minnesota, discussed the legislative situation in Minnesota, saying 136 insurance bills have been introduced thus far.

## T. A. FLEMING'S TALK

T. A. Fleming, director of conservation of the National Board, in his talk before the Minnesota agents, said that companies that are members employ 29,549 persons in office and field. They have 162,897 agents and 6,489 brokers. These agents and brokers have 582,150 employees. The companies support in whole or part inspection bureaus of 5,417 employees. There are 2,575 company adjusters and 585 engaged in underwriting organizations. Therefore there are nearly 1,000,000 people on the payroll of stock companies that are National Board members. When one takes into account the non-member companies and those engaged in casualty, marine, surety and life, there is a vast army of people interested in the insurance business. He said that in Minnesota the National Board advertisements are appearing in "Collier's," "Saturday Evening Post," "American Magazine," "Business Week," "Nation's Business," "Credit & Financial Management," "Successful Farming" and the "Farm Journal," making a total of 317,387 homes in the state that are subscribers.

### Need for Protection

Mr. Fleming said that a survey made by the National Association of Credit Men shows that in five years American business men lost \$3,200,000,000 through failures and bankruptcy and 60 percent could have been avoided if proper insurance had been secured. The number of insolvencies for the first 11 months of last year increased 41 percent. The increase in liabilities was 35 percent. The survey showed, he added, that the credit men as a class are not aware of the seriousness or the dangers surrounding their investments nor the type of insurance available as a safeguard against these hazards. No business man, he said, will buy a type of protection unless he understands that he needs it. He believes that agents can do much with their local credit associations to acquaint the credit men with the different types of insurance and show how they fit into their special lines of business.

Mr. Fleming referred to the McKesson & Robbins drug failure and said it

was a revelation that no insurance policies were found covering immense quantities of stock supposed to be contained in warehouses. Another survey of a large retail store, he added, necessitated a careful inspection of the property and brought to light the installation of a complete air-conditioning system which used the elevator shaft for the return air duct. Fire in any of the air passages would have cut off the exit from the several floors.

A firm in the east, he said, faces a \$55,000 judgment for lack of a non-ownership liability policy. A stenographer was requested to call for the office supply of towels as the woman who laundered them was sick. It was raining and a friend called and drove her to the office, picking up the towels on the way. An accident occurred injuring both seriously and permanently. The damage suit resulted in a judgment.

A mercantile firm, he said, had an old employee in charge of the returned goods department. It took out a \$5,000 fidelity bond but when an audit was made following his arrest evidence of theft was discovered extending back for several years and totaling \$57,000.

### W. B. Calhoun's Address

W. B. Calhoun of Milwaukee, former president of the National association, said that the Wisconsin members became very much interested in the "California Guiding Principles" plan. They were convinced that the executive officers of this state body are not in a position to tell the companies just what the membership will or will not do. It is highly necessary, he said, for members of state associations to strengthen local boards and encourage the organization of new ones. The agents all over the country, he said, have received the benefits of the National Association of Insurance Agents protecting wing. The local agents merely want to be protected in their own rights. They are not asking anything unreasonable. All local agents, he said, should appreciate the value of their trade association.

## LEGISLATION

**New Jersey**—Creation of a state fund in New Jersey to handle the fire insurance on public properties is proposed in a bill. In 1935 such a law was repealed after having been in effect for some time. At that time the fund amounted to \$500,000.

**Minnesota**—Close to 100 insurance measures have been introduced in the legislature, ranging from routine bills to state fund proposals. Compensation insurance bills predominate. Several committee hearings have been held, a few bills have been passed but none particularly drastic. Clyde B. Helm, secretary Insurance Federation of Minnesota, and insurance association legislative committees, have been busy.

**Ohio**—A bill has been passed and sent to the governor removing the earmarking from the law which levies a franchise tax on domestic insurance companies. The funds derived will now be turned into the general fund, instead of being distributed among various departments named in the law.

**Washington**—House bill 466 which would increase the insurance commissioners' salary from \$5,000 to \$6,500 has passed the house and is now before the senate.

**Kansas**—A bill before each house of the legislature would license all insurance adjusters and give the department jurisdiction over them. The bill is believed to be sponsored by the department.

Insurance interests of **Canton, O.** will hold their second annual Insurance Day March 22.

Albert P. Diehl has been named vice-president and director of the **Crawford-Ruhland**, Des Moines, Ia., agents. Earl P. Crawford is president.



# GENERAL INSURANCE COMPANY OF AMERICA

HOME OFFICE—SEATTLE

◆  
ANNUAL STATEMENT—DECEMBER 31, 1938

## ASSETS

Cash in Banks and On Hand	\$1,684,726.61
*United States Government Bonds	4,429,922.01
Other Bonds and Warrants	3,267,565.08
*Stocks	3,846,684.00
Mortgage Loans	69,485.88
Real Estate	194,992.55
Premiums in Process of Collection	1,160,881.78
Accrued Interest and Rents	63,031.18
Other Admitted Assets	105,997.51
 TOTAL ASSETS	 \$14,823,286.60

## LIABILITIES

Reserve for Unearned Premiums	\$6,853,218.58
Reserve for Losses in Process of Adjustment	419,101.61
Reserve for Dividends, Commissions, Taxes and Expense	777,336.21
Funds Held Under Reinsurance	
Treaties	252,156.37
CAPITAL	\$1,000,000.00
General Voluntary Reserve	720,000.00
NET SURPLUS	4,801,473.83
 POLICYHOLDERS SURPLUS	 6,521,473.83
 Total	 \$14,823,286.60

\*Bonds and Warrants are stated at Amortized or Investment Values, stocks at values approved by the National Convention of Insurance Commissioners. On basis of December 31, 1938, market quotations for all bonds and stocks owned, this company's total admitted assets would be increased to \$15,052,935.15 and Policyholders Surplus to \$6,751,122.38.

## 1938 INCREASES

Increase in Assets	\$1,510,000
Increase in Premiums Written	1,272,000
Increase in Unearned Premiums	1,145,000
Increase in Policyholders Surplus	377,000

## A RECORD OF PROGRESS

	Assets	Premiums Written	Surplus to Policyholders	Unearned Premiums
1923	\$ 1,466,000	\$ 340,000	\$ 1,266,000	\$ 166,000
1926	4,140,000	2,721,000	2,004,000	1,744,000
1929	6,373,000	3,624,000	2,293,000	3,040,000
1932	7,574,000	2,866,000	3,111,000	2,596,000
1935	11,799,000	5,114,000	5,693,000	4,537,000
1938	14,823,000	7,173,000	6,521,000	6,853,000

A STRONG AND PROGRESSIVE COMPANY FOR PROGRESSIVE AGENTS

NEW YORK OFFICE  
111 John St.

ST. LOUIS OFFICE  
208 North Broadway

DENVER OFFICE  
Insurance Exchange Bldg.



SAN FRANCISCO OFFICE  
206 Sansome St.

CHICAGO OFFICE  
209 W. Jackson Blvd.

LOS ANGELES OFFICE  
416 W. 8th St.